

7374. By Mr. BURTNESS: Petition of Edgar Boyd Post, No. 37, American Legion, Williston, N. Dak., for a total exclusion of immigration law; this not being possible, then a restricted law; to the Committee on Immigration and Naturalization.

7375. By Mr. DALLINGER: Petition of City Council of Boston, Mass., favoring the ship subsidy bill; to the Committee on the Merchant Marine and Fisheries.

7376. By Mr. FROTHINGHAM: Petition of James M. Curley, for favorable action on ship subsidy bill; to the Committee on the Merchant Marine and Fisheries.

7377. By Mr. GALLIVAN: Petition of Boston City Council, urging favorable action on pending ship-subsidy legislation; to the Committee on the Merchant Marine and Fisheries.

7378. By Mr. KAHN: Petition of the Bar Association of San Francisco, urging that an antinarcotic week be proclaimed in 1923; also that an international conference be called, with a view to securing the limitation by treaty of the basic production of poisonous drugs, which constitute a major menace to American life; to the Committee on Foreign Affairs.

7379. By Mr. KISSEL: Petition of the Brunswick-Balke-Coller Co., New York City, N. Y., favoring Senate bill 4303, to amend the joint resolution extending the operation of the immigration act of May 19, 1921; to the Committee on Immigration and Naturalization.

7380. Also, petition of United Singers of Brooklyn, New York City, urging the United States Government to disapprove the acts committed by the French invaders; to the Committee on Foreign Affairs.

7381. Also, petition of Valentine & Co., New York City, N. Y., urging the passage of House bill 12091; to the Committee on the Merchant Marine and Fisheries.

7382. By Mr. LEA of California: Petition of 38 residents of Camptonville, Calif., favoring abolition of tax on small-arms ammunition and firearms; to the Committee on Ways and Means.

7383. By Mr. SIEGEL: Petition of Woman's Republican Club, New York City, N. Y., urging Congress to limit the import of raw materials from which drugs are made; to the Committee on Foreign Affairs.

7384. Also, petition of Woman's Republican Club, of New York City, N. Y., urging Congress to pass the ship subsidy bill; to the Committee on the Merchant Marine and Fisheries.

7385. By Mr. SINCLAIR: Petition of the Edgar M. Boyd Post, No. 37, of the American Legion, Williston, N. Dak., for the passage of a total exclusion immigration law; to the Committee on Immigration and Naturalization.

7386. By Mr. TEMPLE: Papers to accompany House bill 14265, a bill granting a pension to Lizzie G. Chapman; to the Committee on Invalid Pensions.

7387. By Mr. TINKHAM: Petition of James M. Curley, mayor of Boston, Mass., urging passage of ship subsidy bill; to the Committee on the Merchant Marine and Fisheries.

SENATE.

THURSDAY, February 22, 1923.

(Legislative day of Monday, February 19, 1923.)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. Moses in the chair). The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Fletcher	Lodge	Reed, Pa.
Ball	France	McCumber	Robinson
Bayard	Frelinghuysen	McKellar	Sheppard
Borah	George	McKinley	Shields
Brandege	Glass	McLean	Smith
Brookhart	Gooding	McNary	Smoot
Broussard	Hale	Moses	Spencer
Bursum	Harrell	Myers	Stanley
Calder	Harris	Nelson	Sterling
Cameron	Harrison	New	Sutherland
Capper	Heflin	Norbeck	Swanson
Caraway	Hitchcock	Norris	Townsend
Colt	Jones, N. Mex.	Oddie	Underwood
Couzens	Jones, Wash.	Overman	Wadsworth
Culberson	Kellogg	Page	Walsh, Mont.
Cummins	Kendrick	Pepper	Warren
Curtis	Keyes	Phipps	Watson
Dial	King	Poindexter	Weller
Dillingham	Ladd	Pomerene	Williams
Edge	La Follette	Ransdell	Willis
Fernald	Lenroot	Reed, Mo.	

Mr. PHIPPS. I desire to announce that my colleague [Mr. NICHOLSON] is absent on account of illness. I ask that this notice may stand for the day.

The PRESIDING OFFICER. Eighty-three Senators have answered to their names. A quorum is present.

READING OF WASHINGTON'S FAREWELL ADDRESS.

The PRESIDING OFFICER. Under a standing order of the Senate, agreed to January 24, 1901, it is provided that Washington's Farewell Address shall be read in the Senate on this day immediately following the approval of the Journal. The Senate this morning meets in recess, and there is no Journal to be approved. In pursuance of the order, however, the Vice President, January 9, 1923, designated the junior Senator from Virginia [Mr. GLASS] to read the address. The Chair now recognizes the junior Senator from Virginia for that purpose.

Mr. GLASS read the address, as follows:

To the people of the United States:

FRIENDS AND FELLOW CITIZENS: The period for a new election of a citizen to administer the executive government of the United States being not far distant, and the time actually arrived when your thoughts must be employed in designating the person who is to be clothed with that important trust, it appears to be proper, especially as it may conduce to a more distinct expression of the public voice, that I should now apprise you of the resolution I have formed, to decline being considered among the number of those, out of whom a choice is to be made.

I beg you, at the same time, to do me the justice to be assured that this resolution has not been taken without a strict regard to all the considerations appertaining to the relation which binds a dutiful citizen to his country; and that, in withdrawing the tender of service which silence in my situation might imply, I am influenced by no diminution of zeal for your future interest; no deficiency of grateful respect for your past kindness; but am supported by a full conviction that the step is compatible with both.

The acceptance of, and continuance hitherto in the office to which your suffrages have twice called me, have been a uniform sacrifice of inclination to the opinion of duty, and to a deference for what appeared to be your desire. I constantly hoped that it would have been much earlier in my power, consistently with motives which I was not at liberty to disregard, to return to that retirement from which I had been reluctantly drawn. The strength of my inclination to do this previous to the last election had even led to the preparation of an address to declare it to you; but mature reflection on the then perplexed and critical posture of our affairs with foreign nations and the unanimous advice of persons entitled to my confidence, impelled me to abandon the idea.

I rejoice that the state of your concerns, external as well as internal, no longer renders the pursuit of inclination incompatible with the sentiment of duty or propriety; and am persuaded, whatever partiality may be retained for my services, that in the present circumstances of our country you will not disapprove my determination to retire.

The impressions with which I first undertook the arduous trust were explained on the proper occasion. In the discharge of this trust I will only say that I have, with good intentions, contributed towards the organization and administration of the government, the best exertions of which a very fallible judgment was capable. Not unconscious in the outset of the inferiority of my qualifications, experience, in my own eyes, perhaps still more in the eyes of others, has strengthened the motives to diffidence of myself; and every day the increasing weight of years admonishes me more and more that the shade of retirement is as necessary to me as it will be welcome. Satisfied that if any circumstances have given peculiar value to my services they were temporary, I have the consolation to believe that, while choice and prudence invite me to quit the political scene, patriotism does not forbid it.

In looking forward to the moment which is to terminate the career of my political life, my feelings do not permit me to suspend the deep acknowledgment of that debt of gratitude which I owe to my beloved country, for the many honors it has conferred upon me; still more for the steadfast confidence with which it has supported me; and for the opportunities I have thence enjoyed of manifesting my inviolable attachment, by services faithful and persevering, though in usefulness unequal to my zeal. If benefits have resulted to our country from these services, let it always be remembered to your praise, and as an instructive example in our annals, that under circumstances in which the passions, agitated in every direction, were liable to

mislead amidst appearances sometimes dubious, vicissitudes of fortune often discouraging—in situations in which not unfrequently, want of success has countenanced the spirit of criticism,—the constancy of your support was the essential prop of the efforts, and a guarantee of the plans, by which they were effected. Profoundly penetrated with this idea, I shall carry it with me to my grave, as a strong incitement to unceasing vows that heaven may continue to you the choicest tokens of its beneficence—that your union and brotherly affection may be perpetual—that the free constitution, which is the work of your hands, may be sacredly maintained—that its administration in every department may be stamped with wisdom and virtue—that, in fine, the happiness of the people of these states, under the auspices of liberty, may be made complete by so careful a preservation, and so prudent a use of this blessing, as will acquire to them the glory of recommending it to the applause, the affection and adoption of every nation which is yet a stranger to it.

Here, perhaps, I ought to stop. But a solicitude for your welfare, which cannot end but with my life, and the apprehension of danger, natural to that solicitude, urge me, on an occasion like the present, to offer to your solemn contemplation, and to recommend to your frequent review, some sentiments which are the result of much reflection, of no inconsiderable observation, and which appear to me all important to the permanency of your felicity as a people. These will be offered to you with the more freedom, as you can only see in them the disinterested warnings of a parting friend, who can possibly have no personal motive to bias his counsel. Nor can I forget as an encouragement to it, your indulgent reception of my sentiments on a former and not dissimilar occasion.

Interwoven as is the love of liberty with every ligament of your hearts, no recommendation of mine is necessary to fortify or confirm the attachment.

The unity of government which constitutes you one people, is also now dear to you. It is justly so; for it is a main pillar in the edifice of your real independence: the support of your tranquillity at home; your peace abroad; of your safety; of your prosperity; of that very liberty which you so highly prize. But as it is easy to foresee that, from different causes and from different quarters much pains will be taken, many artifices employed, to weaken in your minds the conviction of this truth; as this is the point in your political fortress against which the batteries of internal and external enemies will be most constantly and actively (though often covertly and insidiously) directed; it is of infinite moment, that you should properly estimate the immense value of your national union to your collective and individual happiness; that you should cherish a cordial, habitual, and immovable attachment to it; accustoming yourselves to think and speak of it as of the palladium of your political safety and prosperity; watching for its preservation with jealous anxiety; discountenancing whatever may suggest even a suspicion that it can, in any event, be abandoned; and indignantly frowning upon the first dawning of every attempt to alienate any portion of our country from the rest, or to enfeeble the sacred ties which now link together the various parts.

For this you have every inducement of sympathy and interest. Citizens by birth, or choice, of a common country, that country has a right to concentrate your affections. The name of American, which belongs to you in your national capacity, must always exalt the just pride of patriotism, more than any appellation derived from local discriminations. With slight shades of difference, you have the same religion, manners, habits, and political principles. You have, in a common cause, fought and triumphed together; the independence and liberty you possess, are the work of joint counsels, and joint efforts, of common danger, sufferings and successes.

But these considerations, however powerfully they address themselves to your sensibility, are greatly outweighed by those which apply more immediately to your interest.—Here every portion of our country finds the most commanding motives for carefully guarding and preserving the union of the whole.

The *north*, in an unrestrained intercourse with the *south*, protected by the equal laws of a common government, finds in the productions of the latter, great additional resources of maritime and commercial enterprise, and precious materials of manufacturing industry.—The *south*, in the same intercourse benefiting by the same agency of the *north*, sees its agriculture grow and its commerce expand. Turning partly into its own channels the seamen of the *north*, it finds its particular navigation invigorated; and while it contributes, in different ways, to nourish and increase the general mass of the national navigation, it looks forward to the protection of a maritime strength, to which itself is unequally adapted. The *east*, in a like inter-

course with the *west*, already finds, and in the progressive improvement of interior communications by land and water, will more and more find a valuable vent for the commodities which it brings from abroad, or manufactures at home. The *west* derives from the *east* supplies requisite to its growth and comfort—and what is perhaps of still greater consequence, it must of necessity owe the secure enjoyment of indispensable outlets for its own productions, to the weight, influence, and the future maritime strength of the Atlantic side of the Union, directed by an indissoluble community of interest as *one nation*. Any other tenure by which the *west* can hold this essential advantage, whether derived from its own separate strength; or from an apostate and unnatural connection with any foreign power, must be intrinsically precarious.

While then every part of our country thus feels an immediate and particular interest in union, all the parts combined cannot fail to find in the united mass of means and efforts, greater strength, greater resource, proportionably greater security from external danger, a less frequent interruption of their peace by foreign nations; and, what is of inestimable value, they must derive from union, an exemption from those broils and wars between themselves, which so frequently afflict neighboring countries not tied together by the same government; which their own rivalry alone would be sufficient to produce, but which opposite foreign alliances, attachments, and intrigues, would stimulate and embitter.—Hence likewise, they will avoid the necessity of those overgrown military establishments, which under any form of government are inauspicious to liberty, and which are to be regarded as particularly hostile to republican liberty. In this sense it is, that your union ought to be considered as a main prop of your liberty, and that the love of the one ought to endear to you the preservation of the other.

These considerations speak a persuasive language to every reflecting and virtuous mind, and exhibit the continuance of the union as a primary object of patriotic desire. Is there a doubt whether a common government can embrace so large a sphere? let experience solve it. To listen to mere speculation in such a case were criminal. We are authorized to hope that a proper organization of the whole, with the auxiliary agency of governments for the respective subdivisions, will afford a happy issue to the experiment. It is well worth a fair and full experiment. With such powerful and obvious motives to union, affecting all parts of our country, while experience shall not have demonstrated its impracticability, there will always be reason to distrust the patriotism of those who, in any quarter, may endeavor to weaken its bands.

In contemplating the causes which may disturb our Union, it occurs as matter of serious concern, that any ground should have been furnished for characterizing parties by *geographical* discriminations,—*northern* and *southern*—*Atlantic* and *western*; whence designing men may endeavor to excite a belief that there is a real difference of local interests and views. One of the expedients of party to acquire influence within particular districts, is to misrepresent the opinions and aims of other districts. You cannot shield yourselves too much against the jealousies and heart burnings which spring from these misrepresentations: they tend to render alien to each other those who ought to be bound together by fraternal affection. The inhabitants of our western country have lately had a useful lesson on this head; they have seen, in the negotiation by the executive, and in the unanimous ratification by the senate of the treaty with Spain, and in the universal satisfaction at the event throughout the United States, a decisive proof how unfounded were the suspicions propagated among them of a policy in the general government and in the Atlantic states, unfriendly to their interests in regard to the Mississippi. They have been witnesses to the formation of two treaties, that with Great Britain and that with Spain, which secure to them everything they could desire, in respect to our foreign relations, towards confirming their prosperity. Will it not be their wisdom to reply for the preservation of these advantages on the union by which they were procured? will they not henceforth be deaf to those advisers, if such they are, who would sever them from their brethren and connect them with aliens?

To the efficacy and permanency of your Union, a government for the whole is indispensable. No alliances, however strict, between the parts can be an adequate substitute; they must inevitably experience the infractions and interruptions which all alliances, in all times, have experienced. Sensible of this momentous truth, you have improved upon your first essay, by the adoption of a constitution of government, better calculated than your former, for an intimate union, and for the efficacious management of your common concerns. This government, the offspring of our own choice, uninfluenced and unawed, adopted upon full investigation and mature deliberation, completely free

in its principles, in the distribution of its powers, uniting security with energy, and containing within itself a provision for its own amendment, has a just claim to your confidence and your support. Respect for its authority, compliance with its laws, acquiescence in its measures, are duties enjoined by the fundamental maxims of true liberty. The basis of our political systems is the right of the people to make and to alter their constitutions of government.—But the constitution which at any time exists, until changed by an explicit and authentic act of the whole people, is sacredly obligatory upon all. The very idea of the power, and the right of the people to establish government, presuppose the duty of every individual to obey the established government.

All obstructions to the execution of the laws, all combinations and associations under whatever plausible character, with the real design to direct, control, counteract, or awe the regular deliberations and action of the constituted authorities, are destructive of this fundamental principle, and of fatal tendency.—They serve to organize faction, to give it an artificial and extraordinary force, to put in the place of the delegated will of the nation the will of a party, often a small but artful and enterprising minority of the community; and, according to the alternate triumphs of different parties, to make the public administration the mirror of the ill concerted and incongruous projects of faction, rather than the organ of consistent and wholesome plans digested by common councils, and modified by mutual interests.

However combinations or associations of the above description may now and then answer popular ends, they are likely, in the course of time and things, to become potent engines, by which cunning, ambitious, and unprincipled men, will be enabled to subvert the power of the people, and to usurp for themselves the reins of government; destroying afterwards the very engines which have lifted them to unjust dominion.

Towards the preservation of your Government and the permanency of your present happy state, it is requisite, not only that you steadily discountenance irregular opposition to its acknowledged authority, but also that you resist with care the spirit of innovation upon its principles, however specious the pretext. One method of assault may be to effect, in the forms of the Constitution, alterations which will impair the energy of the system; and thus to undermine what can not be directly overthrown. In all the changes to which you may be invited, remember that time and habit are at least as necessary to fix the true character of governments as of other human institutions;—that experience is the surest standard by which to test the real tendency of the existing constitution of a country;—that facility in changes, upon the credit of mere hypothesis and opinion, exposes to perpetual change from the endless variety of hypothesis and opinion; and remember, especially, that for the efficient management of your common interests in a country so extensive as ours, a government of as much vigor as is consistent with the perfect security of liberty is indispensable. Liberty itself will find in such a government, with powers properly distributed and adjusted, its surest guardian. It is, indeed, little else than a name, where the government is too feeble to withstand the enterprises of faction, to confine each member of the society within the limits prescribed by the laws, and to maintain all in the secure and tranquil enjoyment of the rights of person and property.

I have already intimated to you the dangers of parties in the state, with particular references to the founding of them on geographical discrimination. Let me now take a more comprehensive view, and warn you in the most solemn manner against the baneful effects of the spirit of party generally.

This spirit, unfortunately, is inseparable from our nature, having its root in the strongest passions of the human mind. It exists under different shapes in all governments, more or less stifled, controlled, or repressed; but in those of the popular form it is seen in its greatest rankness, and it is truly their worst enemy.

The alternate domination of one faction over another, sharpened by the spirit of revenge natural to party dissension, which in different ages and countries has perpetrated the most horrid enormities, is itself a frightful despotism. But this leads at length to a more formal and permanent despotism. The disorders and miseries which result, gradually incline the minds of men to seek security and repose in the absolute power of an individual; and, sooner or later, the chief of some prevailing faction, more able or more fortunate than his competitors, turns this disposition to the purpose of his own elevation on the ruins of public liberty.

Without looking forward to an extremity of this kind, (which nevertheless ought not to be entirely out of sight) the common and continual mischiefs of the spirit of party are sufficient to

make it the interest and duty of a wise people to discourage and restrain it.

It serves always to distract the public councils and enfeeble the public administration. It agitates the community with ill-founded jealousies and false alarms; kindles the animosity of one part against another; foment occasional riot and insurrection. It opens the door to foreign influence and corruptions, which finds a facilitated access to the Government itself through the channels of party passions. Thus the policy and the will of one country are subjected to the policy and will of another.

There is an opinion that parties in free countries are useful checks upon the administration of the government and serve to keep alive the spirit of liberty. This within certain limits is probably true; and in governments of a monarchical cast, patriotism may look with indulgence, if not with favor, upon the spirit of party. But in those of the popular character, in governments purely elective, it is a spirit not to be encouraged. From their natural tendency, it is certain there will always be enough of that spirit for every salutary purpose. And there being constant danger of excess the effort ought to be, by force of public opinion, to mitigate and assuage it. A fire not to be quenched, it demands a uniform vigilance to prevent it bursting into a flame, lest instead of warming it should consume.

It is important, likewise, that the habits of thinking in a free country should inspire caution in those intrusted with its administration, to confine themselves within their respective constitutional spheres, avoiding in the exercise of the powers of one department to encroach upon another. The spirit of encroachment tends to consolidate the powers of all the departments in one, and thus to create, whatever the form of government, a real despotism. A just estimate of that love of power and proneness to abuse it which predominate in the human heart is sufficient to satisfy us of the truth of this position. The necessity of reciprocal checks in the exercise of political power, by dividing and distributing it into different depositories, and constituting each the guardian of the public weal against invasions of the others, has been evinced by experiments ancient and modern; some of them in our country and under our own eyes.—To preserve them must be as necessary as to institute them. If, in the opinion of the people, the distribution or modification of the constitutional powers be in any particular wrong, let it be corrected by an amendment in the way which the Constitution designates.—But let there be no change by usurpation; for though this, in one instance, may be the instrument of good, it is the customary weapon by which free governments are destroyed. The precedent must always greatly overbalance in permanent evil any partial or transient benefit which the use can at any time yield.

Of all the dispositions and habits which lead to political prosperity, religion and morality are indispensable supports. In vain would that man claim the tribute of patriotism, who should labor to subvert these great pillars of human happiness, these firmest props of the duties of men and citizens. The mere politician, equally with the pious man, ought to respect and to cherish them. A volume could not trace all their connections with private and public felicity. Let it simply be asked, where is the security for property, for reputation, for life, if the sense of religious obligation desert the oaths which are the instruments of investigation in courts of justice? And let us with caution indulge the supposition that morality can be maintained without religion. Whatever may be conceded to the influence of refined education on minds of peculiar structure, reason and experience both forbid us to expect, that national morality can prevail in exclusion of religious principle.

It is substantially true, that virtue or morality is a necessary spring of popular government. The rule, indeed, extends with more or less force to every species of free government. Who that is a sincere friend to it can look with indifference upon attempts to shake the foundations of the fabric?

Promote, then, as an object of primary importance, institutions for the general diffusion of knowledge. In proportion as the structure of a government gives force to public opinion, it should be enlightened.

As a very important source of strength and security, cherish public credit. One method of preserving it is to use it as sparingly as possible, avoiding occasions of expense by cultivating peace, but remembering also, that timely disbursements, to prepare for danger, frequently prevent much greater disbursements to repel it; avoiding likewise the accumulation of debt, not only by shunning occasions of expense, but by vigorous exertions, in time of peace, to discharge the debts which unavoidable wars may have occasioned, not ungenerously throwing upon posterity the burden which we ourselves ought to bear. The execution of these maxims belongs to your representatives, but it is neces-

sary that public opinion should co-operate. To facilitate to them the performance of their duty, it is essential that you should practically bear in mind, that towards the payment of debts there must be revenue; that to have revenue there must be taxes; that no taxes can be devised which are not more or less inconvenient and unpleasant; that the intrinsic embarrassment inseparable from the selection of the proper object (which is always a choice of difficulties,) ought to be a decisive motive for a candid construction of the conduct of the government in making it, and for a spirit of acquiescence in the measures for obtaining revenue, which the public exigencies may at any time dictate.

Observe good faith and justice towards all nations; cultivate peace and harmony with all. Religion and morality enjoin this conduct, and can it be that good policy does not equally enjoin it? It will be worthy of a free, enlightened, and, at no distant period, a great nation, to give to mankind the magnanimous and too novel example of a people always guided by an exalted justice and benevolence. Who can doubt but, in the course of time and things, the fruits of such a plan would richly repay any temporary advantages which might be lost by a steady adherence to it; can it be that Providence has not connected the permanent felicity of a nation with its virtue? The experiment, at least, is recommended by every sentiment which ennobles human nature. Alas! is it rendered impossible by its vices?

In the execution of such a plan, nothing is more essential than that permanent, inveterate antipathies against particular nations and passionate attachments for others, should be excluded; and that, in place of them, just and amicable feelings towards all should be cultivated. The nation which indulges towards another an habitual hatred, or an habitual fondness, is in some degree a slave. It is a slave to its animosity or to its affection, either of which is sufficient to lead it astray from its duty and its interest. Antipathy in one nation against another, disposes each more readily to offer insult and injury, to lay hold of slight causes of umbrage, and to be haughty and intractable when accidental or trifling occasions of dispute occur. Hence, frequent collisions, obstinate, envenomed, and bloody contests. The nation, prompted by ill will and resentment, sometimes impels to war the government, contrary to the best calculations of policy. The government sometimes participates in the national propensity, and adopts through passion what reason would reject; at other times, it makes the animosity of the nation subservient to projects of hostility, instigated by pride, ambition, and other sinister and pernicious motives. The peace often, sometimes perhaps the liberty of nations, has been the victim.

So likewise, a passionate attachment of one nation for another produces a variety of evils. Sympathy for the favorite nation, facilitating the illusion of an imaginary common interest, in cases where no real common interest exists, and infusing into one the enmities of the other, betrays the former into a participation in the quarrels and wars of the latter, without adequate inducements or justifications. It leads also to concessions, to the favored nation, of privileges denied to others, which is apt doubly to injure the nation making the concessions, by unnecessarily parting with what ought to have been retained, and by exciting jealousy, ill will, and a disposition to retaliate in the parties from whom equal privileges are withheld; and it gives to ambitious, corrupted, or deluded citizens who devote themselves to the favorite nation, facility to betray or sacrifice the interests of their own country, without odium, sometimes even with popularity; gilding with the appearances of a virtuous sense of obligation, a commendable deference for public opinion, or a laudable zeal for public good, the base or foolish compliances of ambition, corruption, or infatuation.

As avenues to foreign influence in innumerable ways, such attachments are particularly alarming to the truly enlightened and independent patriot. How many opportunities do they afford to tamper with domestic factions, to practice the arts of seduction, to mislead public opinion, to influence or awe the public councils!—Such an attachment of a small or weak, towards a great and powerful nation, dooms the former to be the satellite of the latter.

Against the insidious wiles of foreign influence, (I conjure you to believe me fellow citizens,) the jealousy of a free people ought to be constantly awake; since history and experience prove, that foreign influence is one of the most baneful foes of republican government. But that jealousy, to be useful, must be impartial, else it becomes the instrument of the very influence to be avoided, instead of a defense against it. Excessive partiality for one foreign nation and excessive dislike for another, cause those whom they actuate to see danger only on one side, and serve to veil and even second the arts of influence on the other. Real patriots, who may resist the intrigues

of the favorite, are liable to become suspected and odious; while its tools and dupes usurp the applause and confidence of the people, to surrender their interests.

The great rule of conduct for us, in regard to foreign nations, is, in extending our commercial relations, to have with them as little *political* connection as possible. So far as we have already formed engagements, let them be fulfilled with perfect good faith:—Here let us stop.

Europe has a set of primary interests, which to us have none, or a very remote relation. Hence, she must be engaged in frequent controversies, the causes of which are essentially foreign to our concerns. Hence, therefore, it must be unwise in us to implicate ourselves, by artificial ties, in the ordinary vicissitudes of her politics, or the ordinary combinations and collisions of her friendships or enmities.

Our detached and distant situation invites and enables us to pursue a different course. If we remain one people, under an efficient government, the period is not far off when we may defy material injury from external annoyance; when we may take such an attitude as will cause the neutrality we may at any time resolve upon, to be scrupulously respected; when belligerent nations, under the impossibility of making acquisitions upon us, will not lightly hazard the giving us provocation, when we may choose peace or war, as our interest, guided by justice, shall counsel.

Why forego the advantages of so peculiar a situation? Why quit our own to stand upon foreign ground? Why, by interweaving our destiny with that of any part of Europe, entangle our peace and prosperity in the toils of European ambition, rivalry, interest, humor, or caprice?

It is our true policy to steer clear of permanent alliance with any portion of the foreign world; so far, I mean, as we are now at liberty to do it; for let me not be understood as capable of patronizing infidelity to existing engagements. I hold the maxim no less applicable to public than private affairs, that honesty is always the best policy. I repeat it, therefore, let those engagements be observed in their genuine sense. But in my opinion, it is unnecessary, and would be unwise to extend them.

Taking care always to keep ourselves by suitable establishments, on a respectable defensive posture, we may safely trust to temporary alliances for extraordinary emergencies.

Harmony, and a liberal intercourse with all nations, are recommended by policy, humanity, and interest. But even our commercial policy should hold an equal and impartial hand; neither seeking nor granting exclusive favors or preferences; consulting the natural course of things; diffusing and diversifying by gentle means the streams of commerce, but forcing nothing; establishing with powers so disposed, in order to give trade a stable course, to define the rights of our merchants, and to enable the Government to support them, conventional rules of intercourse, the best that present circumstances and mutual opinion will permit, but temporary, and liable to be from time to time abandoned or varied as experience and circumstances shall dictate; constantly keeping in view, that it is folly in one nation to look for disinterested favors from another; that it must pay with a portion of its independence for whatever it may accept under that character; that by such acceptance, it may place itself in the condition of having given equivalents for nominal favors, and yet of being reproached with ingratitude for not giving more. There can be no greater error than to expect, or calculate upon real favors from nation to nation. It is an illusion which experience must cure, which a just pride ought to discard.

In offering to you, my countrymen, these counsels of an old and affectionate friend, I dare not hope they will make the strong and lasting impression I could wish; that they will control the usual current of the passions, or prevent our Nation from running the course which has hitherto marked the destiny of nations, but if I may even flatter myself that they may be productive of some partial benefit, some occasional good; that they may now and then recur to moderate the fury of party spirit, to warn against the mischiefs of foreign intrigue, to guard against the impostures of pretended patriotism; this hope will be a full recompense for the solicitude for your welfare by which they have been dictated.

How far, in the discharge of my official duties, I have been guided by the principles which have been delineated, the public records and other evidences of my conduct must witness to you and to the world. To myself, the assurance of my own conscience is, that I have, at least, believed myself to be guided by them.

In relation to the still subsisting war in Europe, my proclamation of the 22d of April, 1793, is the index to my plan. Sanctioned by your approving voice, and by that of your representatives in both houses of congress, the spirit of that measure

has continually governed me, uninfluenced by any attempts to deter or divert me from it.

After deliberate examination, with the aid of the best lights I could obtain, I was well satisfied that our country, under all the circumstances of the case, had a right to take, and was bound, in duty and interest, to take a neutral position. Having taken it, I determined, as far as should depend upon me, to maintain it with moderation, perseverance and firmness.

The considerations which respect the right to hold this conduct, it is not necessary on this occasion to detail. I will only observe that, according to my understanding of the matter, that right, so far from being denied by any of the belligerent powers, has been virtually admitted by all.

The duty of holding a neutral conduct may be inferred, without any thing more, from the obligation which justice and humanity impose on every nation, in cases in which it is free to act, to maintain inviolate the relations of peace and amity towards other nations.

The inducements of interest for observing that conduct will best be referred to your own reflections and experience. With me, a predominant motive has been to endeavor to gain time to our country to settle and mature its yet recent institutions, and to progress, without interruption, to that degree of strength, and consistency which is necessary to give it, humanly speaking, the command of its own fortunes.

Though in reviewing the incidents of my administration, I am unconscious of intentional error, I am nevertheless too sensible of my defects not to think it probable that I may have committed many errors. Whatever they may be, I fervently beseech the Almighty to avert or mitigate the evils to which they may tend. I shall also carry with me the hope that my country will never cease to view them with indulgence; and that, after forty-five years of my life dedicated to its service, with an upright zeal, the faults of incompetent abilities will be consigned to oblivion, as myself must soon be to the mansions of rest.

Relying on its kindness in this as in other things, and actuated by that fervent love towards it, which is so natural to a man who views it in the native soil of himself and his progenitors for several generations; I anticipate with pleasing expectation that retreat in which I promise myself to realize, without alloy, the sweet enjoyment of partaking, in the midst of my fellow citizens, the benign influence of good laws under a free government—the ever favorite object of my heart, and the happy reward, as I trust, of our mutual cares, labors and dangers.

GEO. WASHINGTON.

UNITED STATES,
17th September, 1796.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Overhue, its enrolling clerk, announced that the House had agreed to the amendments of the Senate to the bill (H. R. 14254) to amend the act entitled "An act to create a commission authorized under certain conditions to refund or convert obligations of foreign governments held by the United States of America, and for other purposes," approved February 9, 1922.

The message also announced that the House insisted upon its amendments to the bill (S. 2703) to allow the printing and publishing of illustrations of foreign postage and revenue stamps from defaced plates, disagreed to by the Senate; agreed to the conference requested by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. VOLSTEAD, Mr. BOIES, and Mr. SUMNERS of Texas were appointed managers on the part of the House at the conference.

ENROLLED BILLS.

The message further announced that the Speaker of the House had signed the following enrolled bills:

- S. 462. An act for the relief of Max B. Baldenburg;
- S. 851. An act authorizing the Secretary of War to make settlement with the lessees who erected buildings on a five-year lease on the zone at Camp Funston, Kans., and for other purposes;
- S. 1829. An act for the relief of Walter Runke;
- S. 2563. An act to provide for the completion of the bridge across the Little Colorado River near Leupp, Ariz.;
- S. 3083. An act authorizing the Baltimore & Ohio Railroad Co. to construct an elevated railroad siding adjacent to its tracks in the city of Washington;
- S. 3350. An act for the relief of Alice M. Gorman;
- S. 3611. An act authorizing and directing the Secretary of War to abrogate a contract lease of water power on the Muskingum River;

S. 3614. An act relating to the official bond of the United States marshal for the southern judicial district of the State of New York;

S. 3690. An act for the relief of Lowe Hayden Bibby;

S. 4061. An act authorizing the Secretary of the Interior to enter into an agreement with Toole County irrigation district, of Shelby, Mont., and the Cut Bank irrigation district, of Cut Bank, Mont., for the settlement of the extent of the priority to the waters of Two Medicine, Cut Bank, and Badger Creeks, of the Indians of the Blackfeet Indian Reservation;

S. 4113. An act for the relief of Helene M. Layton;

S. 4187. An act to extend the time for payment of charges due on reclamation projects, and for other purposes;

S. 4310. An act for the relief of the owners of the steamship *Mohican*;

S. 4311. An act for the relief of the owners of the steam lighter *Comport*;

S. 4333. An act for the relief of Howard R. Gurney;

S. 4358. An act to authorize the American Niagara Railroad Corporation to build a bridge across the Niagara River between the State of New York and the Dominion of Canada;

S. 4411. An act granting the consent of Congress to the cities of Minneapolis and St. Paul, Minn., or either of them, to construct a bridge across the Mississippi River in section 17, township 28 north, range 23 west of the fourth principal meridian, in the State of Minnesota;

S. 4468. An act to authorize the coinage of 50-cent pieces in commemoration of the three hundredth anniversary of the settling of New Netherland, the Middle States, in 1624, by Walloons, French and Belgian Huguenots, under the Dutch West India Co.; and

S. 4522. An act authorizing the Secretary of State to convey certain land owned by the United States in Santiago, Chile, to the municipality of that city, and to acquire or receive in exchange therefor other land located in the said city.

THE MERCHANT MARINE.

The PRESIDING OFFICER. The question is on the motion of the Senator from Washington [Mr. JONES] that the Senate proceed to the consideration of the bill (H. R. 12817) to amend and supplement the merchant marine act, 1920, and for other purposes.

PRICE OF WHEAT.

Mr. GOODING. Mr. President, the Committee on Agriculture and Forestry reported favorably Senate bill 4478. The purpose of the bill is to stabilize the price of wheat. It provides for a corporation with a capital stock of \$300,000,000 and a board of three members. The Secretary of Agriculture is made chairman of the board, and the other two members of the board are appointed by the President and confirmed by the Senate.

The bill fixes the price of No. 1 northern spring wheat for the crop of 1923 at \$1.75 a bushel at the primary markets of the country and authorizes the board on the 1st of July of 1923 to fix the price for the crop of 1924, and on the 1st of July of 1924 to fix the price for the crop of 1925, and directs the board to prescribe rules and regulations for the administration of the act.

An embargo upon wheat and flour is declared until July 1, 1926. Exception to the embargo is made on wheat to be used for seed purposes, and an exception is also made on in-transit shipments of wheat and flour; also on wheat imported in compliance with the tariff act of 1922, which is used in manufacturing flour for reexport.

The bill authorizes the board to charge 5 cents a bushel for handling charges, so that if the bill becomes a law the farmer will receive \$1.70 a bushel for his wheat, less the freight rate and the handling charges at his local elevator.

Mr. President, it is not hard to understand how some Senators shy at this bill or any other bill that has for its purpose the stabilization of the prices of farm products by the Government.

It is unfortunate that the condition of the wheat growers is such as to make it necessary to consider such a measure as this, and I am sure, if I had not been a member of the Agricultural Committee and heard the stories of the hardships and privations that the farmers of this country have suffered in the last three years, I should not be in favor of price fixing by the Government. Nor should I be in favor of this measure if I believed that there was any possible chance for the wheat growers of this country to work out of their present financial condition without aid from the Government.

Or, if the farmers were in any way to blame for their present financial condition, I should not be asking the Government to

assist them, but everywhere the farmer in the last three years has worked harder to make both ends meet than at any time for more than a half century. Everywhere he has practiced thrift and economy only to find, when the harvest was over, that he has not received enough from his year's labor to meet his obligations, and, as I see it, unless the Government does something to stabilize the price of wheat there is grave danger of that branch of agriculture breaking down and becoming demoralized.

Mr. President, the distressing condition of the wheat grower has been brought about by the farmer answering his country's call for more farm products during the war, and by legislation made necessary by the World War, and I shall have no trouble in proving that this Government is responsible, in a large measure, for the losses the farmers have met in the last three years.

I am sure we all remember how the Government demanded that the farmer produce more farm products. He was told that bread would win the war; that we must not only feed our own armies in Europe but the armies of our allies and the citizens of those countries as well. Wheat was thought to be such a mighty factor in the World War that the Food Administrator prescribed a lower grade of flour than the country had been accustomed to use.

The American farmer has never failed to answer his country's call, either in peace or in war, and he answered his country's call for more farm products during the war by increasing the acreage production in this country something over 26,000,000 acres. This, together with the surplus of agricultural products that existed at the time we entered the war, made an overproduction of 40,000,000 acres of crop production more than our consumption. It is this overproduction, together with the unfair, unjust, and unreasonable, and, I am going to say, criminal administration of legislation that Congress passed during the war that has brought about the hardships and privations the country has witnessed upon the American farm in the last three years.

For more than two years now the Agricultural Committee has held extended hearings on different bills that the committee has had under consideration for the relief of agriculture. Numerous witnesses have told of the distressing condition of agriculture in different parts of the country, and all have agreed that unless the Government came to the assistance of the wheat growers and gave Government aid it would be impossible for that branch of agriculture to continue to grow wheat at the present high cost of production.

Mr. President, I am satisfied that if all the Senators could have listened to the stories of the hardships and privations that the farmers have suffered in the last three years they would agree with the Agricultural Committee that the Government owes a debt to the farmers of the country, and especially to the wheat growers, which it can only pay by stabilizing the one great agricultural crop for the next three years, so as to enable the farmers to meet their obligations and continue the production of wheat, which is so essential to the life of the Nation.

One of the saddest stories related to the Agricultural Committee was by Mr. John F. Sinclair, who gave his residence as Minneapolis, Minn., and his business as that of a banker and investor.

The question, "Can the farmers work out of their present financial difficulties?" was submitted by Mr. Sinclair to a number of banks in Minnesota, North Dakota, South Dakota, and Montana, and 291 answers were received. All with the exception of 5 stated that it was impossible for the farmers to work out of their present financial condition with the high cost of production unless something was done by the Government to stabilize the price of wheat.

The saddest part of Mr. Sinclair's story was of the suicides that have taken place upon the farm. He stated that last year there were 30 suicides on the farms in Minnesota, 87 in North Dakota, 32 in South Dakota, and 15 in Montana, making 168 suicides that have taken place on the farms in those four States in the last 12 months.

From all over the country come stories of the hardships and privations upon the farm. Everywhere the story is told of the young men leaving the farm. In one county in Idaho 1,500 young men were reported as leaving the farms last year.

The story was told of children in some parts of the country being forced to go barefooted in winter and being denied the benefits of school because there was so little left from the harvest after freight and expenses were paid that in some cases charity had to be extended to some of the farmers in States where the soil was rich and the harvest abundant. This condition was shown to exist to some extent in most all of the Western States.

R. W. Frazier, testifying as to the condition in North Dakota, said that in Divide County last year there were 18 suicides. All of them were farmers with the exception of one. Mr. Frazier exhibited newspapers showing that in some of the counties in North Dakota more than 75 per cent of all the farms were advertised for delinquent taxes. He said that the farmers in some parts of North Dakota were in such distressing circumstances that when there was a death in the family some member of the family was compelled to make a rough wooden box for burial because there was no money to pay funeral expenses.

Mr. President, a representative of organized labor appeared before the committee in favor of the bill. He stated that organized labor recognized the deplorable condition of agriculture to-day. While the bill might increase the cost of bread to some extent, he said organized labor understood that the farmer had not been given a square deal during the war, because the increased cost of labor and freight rates had of necessity increased the cost of production to the farmer far beyond the price fixed by the Government.

Mr. President, I have listened to many sad stories in my life, but, with the exception of the stories I have listened to that came from Russia, I have never heard anything to compare with the distressing conditions that exist on the farms in some parts of our own country to-day.

Of course, I understand that a great many people look upon legislation of this kind as socialistic, and I know just how they feel about it, because I do not have to go back far in my life—not as far back as when I first took my oath of office as a Senator, a little more than two years ago—to understand how they look upon legislation for stabilizing the price of farm products, and I am sure that I should agree with them if I did not feel that this was an emergency matter to meet a condition that was forced upon the country by the great World War.

Mr. President, after all, when we come to look at legislation that Congress has passed we find that Congress has stabilized about everything, with the exception of the price of farm products, or has sat idly by and permitted great industrial institutions to stabilize the price of their own products, until to-day the cost of production for the wheat grower is so great that he is not able to meet his obligations or to buy the comforts and in many cases the necessities of life.

Let me call the attention of the Senate to a few things of which Congress has stabilized the price through legislation, without any consideration of its effect upon agriculture.

Congress stabilized the price of the labor of 1,700,000 men working upon the railroads by enacting legislation that increased the price of labor on the railroads 106 per cent, and when Congress stabilized the price of 1,700,000 men working on the railroads they stabilized the price of labor in every other industry in the country, and upon the farm as well. In 1918, 1919, and 1920 the farmers in some parts of the country were forced to pay as high as \$10 a day for labor to harvest their crops.

Mr. President, the greatest mistake this Government ever made in its history—and I call it a crime—was made when, through the Federal control act and the Esch-Cummins Act, horizontal increases of 65 per cent were made in all freight rates, regardless of how long the haul or how short the haul, or how high or how low the rate was originally, and without any investigation or consideration as to what the farmer's products would bear to carry them to market.

Ever since railroads have been a factor in the commerce of this country freight rates have been made somewhere near what the products would bear to carry them to market. More has always been charged for the high-priced products than for the low-priced products, and more has always been charged on a mileage basis for the short haul than for the long haul. But when the horizontal increase of 65 per cent was made under the Federal control act and the Esch-Cummins Act, the increase on the low-priced products, with one or two exceptions, was the same as the increase on the higher-priced products, and the increase on the long haul was the same as the increase on the short haul. No thought or investigation or consideration was given as to how high the rate was originally or what the low-priced products would bear to carry them to market.

In making these horizontal increases every principle ever used by railroads in the past in making freight rates was ignored.

As a result of these horizontal increases the farmer is forced to pay a very much larger percentage of the market price of his products to carry them to market than the manufactured article is forced to pay under the present system of rate making.

For instance, the farmers of my State pay a freight rate to Chicago of 97 per cent of the market price on their potatoes, 52 per cent of the market price on onions, 36 per cent of the market price on wheat, 15 per cent of the market price on hogs, and 13.2 per cent of the market price on beans. They pay 53 per cent of the market price on hay to Kansas City and a freight rate of 9.3 per cent of the market price on wool to Boston.

For comparison, I find that men's shoes pay a freight rate of 2½ per cent of the wholesale price from Chicago to Idaho and women's shoes 2 per cent. Men's suitings pay 1½ per cent, and cotton goods pay a freight rate of 4 per cent of the wholesale price from New York to Idaho; and gingham pay a rate of 2½ per cent. On some of the higher-class articles the freight rate is so small that it can only be measured in decimals and has no influence on the selling price of the article.

Mr. President, to-day the farmer is paying vastly more than his share on the upkeep and operation of our railroads. To-day, under these horizontal increases, the farmer is paying 1,500 per cent higher freight rates on the market value of his products than is paid on the manufactured articles I have mentioned.

These horizontal increases are best shown by a comparison of what the farmers paid in dollars and cents on carload lots in 1913 to carry their products to market and what they paid after the horizontal increases of 65 per cent were made.

In describing the rates I am using Idaho merely because I am more familiar with our freight rates there than in other Western States, but there is very little difference in the freight rates in all of the Western States; so what I say about the increases in my State applies to all the Western States and generally to the whole country.

On an 80,000-pound carload of wheat from Idaho to Chicago the freight rate in 1914 was \$400; in 1921 it was \$596, or an increase of 49 per cent.

On a 24,000-pound carload of hay to Chicago the freight rate in 1914 was \$132.50; in 1921 it was \$240, an increase of 81 per cent.

On a 24,000-pound carload of fruit to New York the freight rate in 1914 was \$300; in 1921 it was \$500, an increase of 67 per cent.

On a 26,000-pound carload of cattle to Chicago the freight rate in 1914 was \$203.80; in 1921 the rate was \$295.10, an increase of 45 per cent.

On a 24,000-pound carload of sacked wool to Boston the freight rate in 1914 was \$475.20; in 1921 it was \$831.60, an increase of 74 per cent.

On a 32,000-pound car of baled wool to Boston the freight rate in 1914 was \$547.20; in 1921 it was \$960, an increase of 75 per cent.

On the 1st of January, 1922, there was a horizontal reduction of 10 per cent in freight rates, with the exception of wheat. On wheat the reduction was 13 per cent, but the reduction was so small that it has not given the West any relief.

Mr. President, these excessive freight rates have had a most disastrous effect upon the business interests of my State. Out of 191 banks, we have had 40 failures in the last two years. Within the last 30 days three national banks and one State bank have closed their doors.

On one of our irrigation projects that is rated by the Government as one of the best irrigation projects in the West, 10 out of 11 banks have closed their doors in the last 18 months. These bank failures in Idaho are not due to crop failures or to the exhaustion of the soil, for the average yield of farm products per acre in Idaho is as large, if not larger, than in any other State in the Union. It is a common thing to see a yield of 40 or 50 bushels of wheat to the acre on our irrigated farms, from 60 to 70 bushels of oats or barley, and from 4 to 8 tons of hay. On our irrigated farms we never have a crop failure. When we sow, we always reap a full harvest; but in some cases the greater the yield the less the farmer has when the harvest is over, for at times some of his farm products will not pay the cost of the freight rate to carry them to market.

The President, in his message of December 8, 1922, in speaking of the problems of transportation, recognized very fully the serious condition that existed from the increase of freight rates on low-priced commodities and he had this to say:

This transportation problem can not be waived aside. The demand for lowered costs on farm products and basic materials can not be ignored. Rates horizontally increased to meet increased wage outlays during the war inflation are not easily reduced. When some very moderate wage reductions were effected last summer there was a 10 per cent horizontal reduction in rates. I sought at that time, in a very informal way, to have railway managers go before the Interstate Commerce Commission and agree to a heavier reduction on farm products and coal and other basic commodities and leave un-

changed the freight tariffs which a very large portion of the traffic was able to bear.

Neither the managers nor the commission saw fit to adopt the suggestion, so we have the horizontal reduction too slight to be felt by the higher-class cargoes and too little to benefit the heavy tonnage calling most loudly for relief.

If the President was unable to get the railroad managers and the Interstate Commerce Commission to agree to a more liberal reduction on agricultural products than the higher-priced products of the country, in which the freight rates are so small a factor in comparison with their value, it does not seem to me that there is much hope for a reduction in freight rates on wheat and other farm products.

Mr. President, the farmers of this country believed, when the price-fixing committee was called to Washington for the purpose of fixing the price of wheat at the primary markets of the country, that the price fixed at \$2.20 by the committee was to be the minimum and not the maximum price as afterwards fixed by the Grain Corporation.

When the Grain Corporation fixed \$2.20 a bushel as the maximum price, the farmer was selling his No. 1 northern spring wheat in Minneapolis for \$2.72 a bushel. The next day the farmers were selling their wheat in Minneapolis for \$2.20 a bushel.

I made an effort to find out from those in charge of the affairs of the Grain Corporation here in Washington just how much profit the Government made out of handling the farmers' wheat during the war. Those in charge seemed to be able to give but very little information on the subject. I have been advised from other sources, however, that the profit of the Government for handling the farmers' wheat was somewhere between \$75,000,000 and \$100,000,000.

Mr. President, no other country during the war became a speculator and a profiteer in handling the farmers' products.

While the Canadian Government fixed the price of \$2.15 at the primary markets, that Government remitted to the Canadian farmer everything that was received above \$2.15 a bushel that his wheat brought upon the market, and in 1919 the Canadian farmer received an average of \$2.62 for his wheat, while the farmers on this side had to be satisfied with \$2.20 a bushel in 1918 and \$2.26 a bushel in 1919.

The English Government fixed a minimum price on wheat, but permitted their farmers to sell their wheat for the full market price and besides paid a bonus to her grain growers of something between \$40,000,000 and \$50,000,000, and for the year of 1921 paid a bonus equivalent to \$14 an acre to her grain growers, which was a return greater than was received by the farmers in some of the States that year per acre for their crop.

The Australian Government fixed a minimum price, but permitted the grain growers of that Commonwealth to receive the full market price, and assisted materially in marketing the grain by carrying much of it to market in ships owned by the Government at a very low freight rate. New South Wales paid to her wheat growers a bonus of something over \$4,000,000 over the full market price.

Mr. President, the Governments of Great Britain, Canada, and Australia evidently gave some thought and consideration to the increased cost of production that was forced upon the farmers by the great World War. But our own Government seemed to have been afraid that the farmers would enjoy some prosperity. Through legislation we increased labor upon the railroads 106 per cent and freight rates 65 per cent, and then bound the wheat grower down to \$2.20 a bushel, the price first fixed by the Grain Corporation in 1919.

Mr. President, through information furnished me by the Agricultural Department, I find that the actual cost of producing a bushel of wheat on the farm in 1918 was \$1.53; in 1919, \$2.26; and in 1920, \$2.56. This was the actual cost to the farmer without any profits, and before the Government paid the \$2.26 for the wheat he had to pay the local charge at his elevator and the freight rate to the primary market.

Mr. HEFLIN. Mr. President, will the Senator yield there?

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Alabama?

Mr. GOODING. I yield.

Mr. HEFLIN. What price did the farmers obtain after the deflation drive was on in 1920?

Mr. GOODING. I have not those prices before me; but at the time the Government ceased buying wheat it was worth \$3.07 a bushel, while in November, 1920, the price had been driven down to \$1.75 a bushel. Does that answer the Senator's question?

Mr. HEFLIN. Yes. The Senator, I believe, stated that the cost that year to produce wheat was \$2.50 a bushel?

Mr. GOODING. Yes; \$2.56.

Mr. HEFLIN. And it sold for about \$1.75?

Mr. GOODING. About 25 per cent of our wheat is classed as No. 1 Northern; the remainder is No. 2 and No. 3; so it is safe to say that 75 per cent of the wheat, even when the Government paid \$2.26 a bushel at the primary markets, brought the farmer at least 20 cents a bushel less than No. 1 Northern wheat.

So it is not strange that millions of our farmers are in a deplorable condition financially. The farmers of America have a right to feel outraged over being forced to sell their products at less than the cost of production and being forced to pay more for their share of the upkeep and operation of our railroads. The burdens are entirely too great. The wheat growers of this country can not go on under the high cost of production with the present price of wheat.

Some branches of agriculture have been materially benefited through a protective tariff. The emergency tariff bill was a godsend to them; it was a life-saver. The permanent tariff bill has also been a mighty factor in helping some branches of agriculture. Even the wheat grower has been materially benefited, for he has received anywhere from 20 to 30 cents a bushel more for his wheat since the emergency tariff bill was passed than the Canadian farmer has received.

Mr. WATSON. Mr. President—

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Indiana?

Mr. GOODING. Yes.

Mr. WATSON. Over how long a period of time has there been that disparity in the prices of wheat as between this country and Canada?

Mr. GOODING. When the emergency tariff bill was passed No. 1 northern wheat was selling in Canada 5 cents higher than at Minneapolis; but immediately after the passage of the emergency tariff act our farmers received anywhere from 20 to 30 cents a bushel more than the Canadian farmers. For some reason No. 1 northern wheat in Canada—I presume it was because they had newer lands over there and the wheat produced is perhaps of a little higher quality—brings normally anywhere from 5 to 6 cents a bushel more than our No. 1 northern.

Mr. WATSON. How are the prices now?

Mr. GOODING. I have not received the prices in the last few days, but they have been ranging anywhere from 20 to 30 cents a bushel more for the American wheat than the Canadian farmer has been receiving for his wheat.

Mr. President, I think we will all agree that it is impossible to bring about a reduction in freight rates on farm products at this time; and even a liberal reduction in freight rates on wheat will not save the wheat growers from a most appalling disaster. Nothing less, in my judgment, than the stabilization of the price of wheat by the Government at a fair price will give the wheat grower of this country an opportunity to meet his obligations and continue in the production of this most important agricultural crop, that is a vital necessity not only to our own people but to the whole world.

Mr. President, we have never thought in the past that the farmer of this country needed any consideration, and he has had but very little consideration. In fact, it has not been fashionable to stabilize anything that the farmer produces.

If this were the first stabilizing act ever considered by Congress I might feel that I was on dangerous ground, but I find that on April 23, 1918, Congress stabilized the price of silver at \$1 an ounce. It was written in the law that the Government should only purchase silver when it was selling at \$1 or below a dollar an ounce. When the Pittman Act was passed silver was selling on the markets of this country for 99½ cents an ounce. It increased steadily in price until November 25, 1919, when it was selling in the markets of this country for \$1.37½ an ounce. Silver did not drop to \$1 an ounce again until May, 1920.

Under the law the Government protected the miner, and he was permitted to go out into the markets and receive the full benefit of the market price of silver. So the Government did not become a wrecker and a speculator and a profiteer and break down the price of silver, as the Grain Corporation did in the price of wheat.

Mr. KENDRICK. Mr. President—

The PRESIDING OFFICER (Mr. Moses in the chair). Does the Senator from Idaho yield to the Senator from Wyoming?

Mr. GOODING. I yield.

Mr. KENDRICK. I should like to ask the Senator at this point whether or not he has information to show the cost to the Government of stabilizing the price of silver?

Mr. GOODING. No; I have not that information.

Mr. KENDRICK. The Senator has no information that it cost the Government any considerable sum?

Mr. GOODING. I do not understand that it cost the Government any considerable sum. I understand that the Treasury was instructed through the law not to buy it unless it was below a dollar an ounce. I have not looked up that part of it.

The Pittman Act provided that the Government should purchase 208,000,000 ounces of silver. Up to the present time the Government has purchased 152,000,000 ounces of silver, and there are still 56,000,000 ounces to purchase under that act, which is something more than the annual output of our silver mines.

So the Pittman Act will continue to stabilize the price of silver until some time next year. By that time the Pittman Act will have been in force for something over six years. To-day silver is selling on the markets of the country at 66 cents an ounce, but the Government is paying \$1 an ounce for domestic silver. So besides stabilizing labor on the railroads and freight rates we have stabilized the price of silver in this country.

Mr. President, I know something about silver mining, and am satisfied that if the Government had not stabilized the price of silver the silver miners of this country would be in the same condition that the wheat growers are to-day, with the only difference that the silver miners can close down their mines but the wheat grower is forced to go on. He can not stop. The lower the price of wheat the more he must try to grow to meet his obligations and to keep the wolf from the door; but some day, unless this Government treats him with more of a spirit of fairness as far as freight rates are concerned, he may conclude to limit his production and let the wolf wait at the other man's door.

Then I find that we are subsidizing the great newspapers and magazines of this country. Every year the Government is forced to pay out of the Treasury \$72,000,000 more than it receives for carrying second-class mail.

This Government pays \$150,000 every week for carrying an issue of the Saturday Evening Post to its readers, and, in round numbers, it costs the Government \$7,800,000 more annually to distribute that magazine than the owners pay to the Government for its transportation. All of the great newspapers and magazines receive the benefit of our postal laws to the extent of \$72,000,000 a year, and yet I anticipate that the great newspapers will be the first to charge that this bill is socialistic and dangerous legislation in the extreme.

Every week the Saturday Evening Post receives something over \$1,000,000 for advertising. Beyond a doubt it is one of the best pieces of property in America or in the whole world, and yet the Government is subsidizing this one publication to the extent of \$7,800,000 a year. Of course, that is not socialistic; and I anticipate, Mr. President, that any Senators or Congressmen who undertake to change our postal laws will be threatened with political destruction by these guardians of the selfish interests of America.

Mr. TOWNSEND. Mr. President—

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Michigan?

Mr. GOODING. I do.

Mr. TOWNSEND. I desire to state that they not only will be, but they have been. A short time ago some of these publications issued a statement attacking the Joint Postal Commission because of its efforts to determine the cost to the Government of carrying different classes of mail. We had proceeded with that quite successfully to the extent of determining upon a plan, and it would require an appropriation for additional help for a few months to compile the facts after they had been disclosed. These articles came out with an attack upon the commission, saying that the commission had asked for \$800,000, when it had not asked for a dollar, not a cent, and had done only what the Congress had directed it to do, namely, to take steps for the purpose of finding out the facts concerning the Post Office Department. So the Senator is absolutely right in his prophecy, because during the late campaign questions came to candidates—they did to me—asking if I would vote to reduce, not to increase but to reduce, the rate already in existence on second-class mail matter, and that it was important that I give my decision in that matter before election day.

Mr. GOODING. I am very thankful to the Senator for contributing that information.

Mr. President, I am not unmindful that we have just passed an appropriation of \$56,000,000 for river and harbor improvement. I voted for that appropriation, because I believe in river and harbor improvement; and if we are going to continue to be a factor in the trade of the world, with the overhigh freight

rates on our railroads, then our rivers must play a greater part in the commerce of this country.

Then, again, Mr. President, I find we have stabilized our banks. Congress passed the Federal reserve act, and in that act it destroyed the farmer's credit to a large extent with the banks, for his note was not subject to rediscount with the Federal reserve bank for a length of time that was of any benefit to him.

To-day our Federal reserve banks are rediscounting paper at 4½ per cent. All through the West this money is being loaned back to the farmer at from 8 to 12 per cent. If we are not subsidizing our banks in America to-day through the Federal reserve act, then I do not know what you would call a subsidy.

Then, Mr. President, I am not unmindful that what we have before us at this time is a ship subsidy bill. I anticipate that some of the Senators who will shy at the wheat stabilization bill will vote for a ship subsidy bill. They are quite willing to stabilize freight rates on the ocean and freight rates on railroads, but in a bill that stabilizes the price of wheat they see the horns of socialism.

Mr. President, it will not be any new departure on the part of this Government if this bill should pass stabilizing the price of wheat; but, after all, the light in which the country looks upon legislation of this kind seems to depend upon whose ox is being gored.

Mr. President, we hear much to-day about extending our foreign trade. I quite agree that every effort should be made to extend our trade in the world; but the trouble with continental Europe to-day is that they have been buying too much from this country as a result of the World War, and any extension of our foreign trade, as far as continental Europe is concerned, only means ruin and disaster for those countries.

Mr. President, for 122 years, beginning with 1790, down to and including 1912, the balance of trade in our favor with the world was about \$7,000,000,000, and for the last 10 years the balance of trade with the world has been \$21,149,097,144. The balance of trade in our favor last year was \$1,091,858,054.

Twenty years ago we were happy when the balance of trade in our favor was from one hundred to two hundred million dollars. Now we are not satisfied when the balance of trade is more than a billion dollars a year in our favor.

Mr. President, I do not believe it is going to be possible for this country to maintain the present balance of trade with continental Europe or with the world. It is an unbalanced condition and only means the pauperizing of many of the countries of Europe. If Europe is going to be prosperous, as I see it, our foreign trade is going to grow very much smaller when Europe finally settles down and the war clouds pass away.

Most of this propaganda about extending our foreign trade comes from the importers who want to break down the bars of protection. We are told that we can not sell to Europe unless we permit Europe to sell us.

In the morning paper I see that the imports broke the record yesterday. We collected on imports \$2,107,836 on a total valuation of imports of \$8,000,000; and this is in New York City alone, I am advised.

Mr. President, speaking of Europe, I do not know of anything they can sell to us in a greater volume than they are at the present time without closing down some of our industries and throwing thousands out of employment, for all of our great industries are overdeveloped.

Take iron and steel. With our present facilities for the production of iron and steel, we can produce in six months, running full force and full time, all the iron and steel we can consume in a year.

Wonderful strides have been made in the production of iron and steel. In 1850 the average annual production of pig iron was 25 tons per man. The average production to-day in some of our mills is from twelve to fourteen hundred tons per man; so we do not need any importations of iron and steel from Europe.

We are vastly overdeveloped in the boot and shoe business. We have something over 1,400 establishments manufacturing boots and shoes. It is said that 25 per cent of our boot and shoe factories, running full time at full capacity, can produce all the boots and shoes needed in the United States in a year, and that the boot and shoe factories of the United States, taken as a whole, operating full time, can produce five pairs of shoes a year for every man, woman, and child in the world who wears our type of shoes.

The window-glass industry has entered into a contract with its employees for continuous operation for 26 weeks each year, leaving the men free to seek other employment for the balance of the year, so our glass factories are also overdeveloped.

The installed capacity of the sawmills of the United States is 117,500,000,000 feet annually, while the maximum production does not exceed 46,000,000,000—an overproduction of 160 per cent in our sawmills.

We have an overproduction also in the meat-packing industry, in the copper industry, in our flour mills, and in the production of automobiles.

The people of the United States to-day are buying about 36,000,000 automobile tires every year. The plants producing automobile tires are equipped to manufacture 60,000,000 tires a year.

We also have an overproduction in the manufacture of woolen and cotton goods.

It is stated on good authority that 25 per cent of our bituminous coal mines, operating with 60 per cent of the men now employed on full time, could meet all our requirements for coal. The same authority says that there are working in the bituminous coal mines from 240,000 to 300,000 men more than are required for an economic production.

If there is any great industry in America that is not overdeveloped, I have not been able to find it.

Mr. President, with all the great over-development of our industries, strange as it may seem, the prices of many of the products of the industries I have mentioned are increasing to-day. To say that there is any competition in many of our great industries is but irony and sarcasm.

If there is a chance for any reduction in the costs of production on the American farm I am unable to find it. Some of our farm products are much higher than pre-war prices. That is especially true of cotton and wool.

The average price of farm products is 112 per cent of the 1913 prices; the average price of all other commodities in the United States is 169 per cent of the 1913 prices. With freight rates 149 per cent of the pre-war prices, and the farmer's dollar with a purchasing power of only 65 per cent of its pre-war value, nothing but Government aid, in my judgment, can save the wheat growers of this country.

Our 10 years pre-war average export of wheat, including flour, was 109,000,000 bushels a year. Our average export of wheat, including flour, for the years 1921 and 1922 was 322,742,107 bushels.

I sometimes wonder what would have happened to the wheat growers of this country if Russia were still as great a factor in the world's production as in pre-war days, when her wheat crop averaged something over 500,000,000 bushels a year.

Russia's pre-war average of exports for 10 years was 136,000,000 bushels of wheat, 124,000,000 bushels of barley, and 65,000,000 bushels of rye, most of which was used for bread. To-day we are sending wheat and corn to Russia to save her children from starvation.

It is said that Russia is again turning her attention to production, but just how long before she will become a factor in the world's market in wheat no man can tell.

Mr. President, if this bill passes it will repay the farmers only in a small way for the losses this Government has forced upon them.

Taking the value of farm products in this country for the year of 1919 as a basis, in the last three years the farm products have suffered a shrinkage of over \$16,000,000,000—more than enough to build all the railroads in America and equip them in better conditions than they are to-day.

Mr. STERLING. Mr. President, will the Senator permit a question?

The PRESIDING OFFICER (Mr. JONES of New Mexico in the chair). Does the Senator from Idaho yield to the Senator from South Dakota?

Mr. GOODING. I yield.

Mr. STERLING. How would the passage of the bill which the Senator is discussing bring about any compensation to the farmers who do not grow wheat? It pertains only to wheat farmers and stabilizes the price of that one farm product; but, of course, other farmers are corn growers, and those who grow corn as well as other crops exclusively would hardly be benefited by it, and yet they, as well as the wheat growers, were the victims of deflation and curtailment of credit by the Federal Reserve Board.

Mr. GOODING. I will say to the Senator that a protective tariff has helped the corn growers very considerably. The livestock industry of the country is in a prosperous condition and cattle prices are somewhat better. Corn has very materially increased in price. There is no question but what the protection goes far enough to help practically all the farmers in the country, and to help the wheat growers to some extent, but not enough, with the increased cost of production which the Gov-

ernment has forced upon him by increased freight rates, to make it anywhere near what it should be. It is safe to say that the wheat growers last year lost \$750,000,000 in producing wheat.

Mr. STERLING. Of course, the wheat grower, as well as the corn grower, is protected by a tariff, but the corn grower pays as much in freight rates as the wheat grower pays.

Mr. McCUMBER. Mr. President, if the Senator from Idaho will allow me—

Mr. GOODING. Certainly.

Mr. McCUMBER. For the information of the Senator from South Dakota I will say that, while the wheat grower to-day is receiving pre-war prices for his product and everything that he purchases is very much more expensive, the corn grower and those who use the corn in fattening hogs and cattle are receiving very much above the pre-war price for their products, and therefore the only class that is suffering very seriously from what the Senator from South Dakota calls deflation, but what I say is a lack of demand for the product, is the raiser of small cereals—wheat, oats, barley, and rye. Those products are to-day in price even below the pre-war basis.

Mr. STERLING. The Senator from North Dakota raises a question of fact about which I am not quite certain. It was my impression that the pre-war price of corn was higher than it has been in the last two or three years, and higher than it is now.

Mr. WARREN. Mr. President—

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Wyoming?

Mr. GOODING. I yield.

Mr. WARREN. I wish to say to my good friend from North Dakota that, so far as cattle are concerned, they should be grouped with wheat, because, while it is true that other grains, or some of them, are better in price than wheat, cattle have been lower at various times than before the war and are to-day.

Mr. GOODING. I want to remind the Senator that the Government did not bind down with iron bands the price of cattle during the war, but it did bind down the wheat growers until they lost billions of dollars. It became a profiteer on the wheat growers' labor while every country on earth protected the wheat growers and they enjoyed the full market price and even paid them a bonus. That is the difference between the wheat grower and the cattle grower. God knows I would like to see the cattle grower receive a better price. He has had a hard struggle for a number of years to produce cattle at a price that has been paid in the markets of this country.

Mr. WARREN. What the Senator said of wheat is true and largely brought about, I fear, by those who undertook to befriend wheat. It is true that the Government took no part in the marketing of cattle, and the cattlemen did not ask to have it done. That was the difference between wheat and cattle. Wheat suffered the most, and, as I said, I do not know how much of it, but certainly some part of it, may be chargeable to the mistaken idea of soliciting the Government in fixing the price.

Mr. GOODING. I think it was a wise act on the part of the Government to call a committee here for the purpose of fixing the price of wheat. I think that was all right, but the trouble was that the Grain Corporation was composed of men who had been speculating in wheat for a lifetime, men who had grown rich in handling wheat. Nobody was on the board who had any sympathy with the wheat grower. It is now claimed that they took advantage of the situation and fixed the price of wheat as a maximum price and not a minimum price, as the farmers had the right to believe was the intention of the price-fixing committee that was called to Washington for that purpose.

Mr. McCUMBER. Not only had the farmer the right to assume that it would be but the law declares that it should be the minimum price, leaving to the demand whatever the maximum price might be, but in the operation of the law those in control made the minimum price the maximum price and prohibited the farmer from the benefit of a rising market.

Mr. LADD. Mr. President—

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from North Dakota?

Mr. GOODING. I yield.

Mr. LADD. It has been stated that the interests representing the farmers demanded price fixation during the war. I think that is not correct. I know of no farmers who asked for price fixing of wheat during the war, but I did receive many, many protests, and when I reached North Dakota after the price fixing was established I found an assembly of 3,000 people who were gathered together as the representatives of the farmers of the State for the purpose of protesting against the

fixing of the price of wheat. But instead of protesting they accepted it and passed resolutions, and said if the price of wheat was to be fixed they therefore asked that the price of the products which the farmer purchased should be treated in the same manner.

Mr. GOODING. I would like to have the RECORD show that the Senator from North Dakota was a member of the price-fixing committee.

Mr. LADD. Yes; that is true.

Mr. McCUMBER. I am quite certain that my colleague will remember that all Congress attempted to do was to assure that there would be a good price during the war, and in order to assure that they determined upon a minimum price, so that the farmer would plant his crop, as the war might end at any time. Then, instead of making a minimum price, in the operation it was made the maximum price, and the miller who paid more than that price had his license to do business taken away from him, and then the elevator man or speculator who paid a higher price than that would be deprived of his license to do business. So the operation of the law was entirely different from what was intended and what the law declared it should be.

Mr. GOODING. I am grateful to the Senator for contributing that information.

Mr. KENDRICK. Mr. President—

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Wyoming?

Mr. GOODING. I yield.

Mr. KENDRICK. In connection with the question raised by the Senator from South Dakota [Mr. STERLING] as to the necessity of acting in regard to other farm products, I wish to ask the Senator from Idaho if he does not believe that the effect of establishing a price on wheat that would return to the grower of wheat the cost of production at least would be to bring a more satisfactory and stable price to other farm products?

Mr. GOODING. There is no doubt about that at all. I think if any Senator would take the cost of production and study the question at all he would realize that the wheat grower is losing money every year. He lost fully three-quarters of a billion dollars last year and over two billion in the last four years in the production of wheat because of the high cost of production and freight rates. He can not go on with it. The end is coming. He must stop, and there is no question about that. He can not go on year after year producing at a price that is less than the cost of production. Unless something is done he will have to grow something else. He can not leave the farm.

Not long ago, when we had a case before the Interstate Commerce Commission asking for a reduction of the rates on farm products, one of the commissioners asked why the farmer continued to produce wheat below the cost of production. The farmer can not help himself. There is no other place for him to go. There is no other crop he can grow in some parts of the country. All of his machinery is for wheat growing, and he must of necessity continue in that line of agriculture, and it is well that he should go on. Some day we will not produce enough for our own needs if we continue the policy we have been pursuing. By stabilizing the price of wheat we help every farmer in America. It is one thing, to my mind, that is needed to bring back prosperity to the country. With the farmer's dollar worth only 65 per cent of the pre-war price, when he gets through buying the necessities of life his money is all gone, and he has not been able to buy farming machinery for the last four years. That is the condition that we find among the farmers who have been growing wheat for less than cost for a number of years.

Mr. KENDRICK. May I ask the Senator another question? We have heard a good deal recently about a return to better business conditions and increased prosperity. I want to ask the Senator if he believes that anything like general prosperity can come to the country while the agricultural interests are in such a deplorable condition?

Mr. GOODING. In reply to the Senator I will say that I am not sure. Only one reason for the prosperity in America to-day is on account of our tremendous exports, that have given us a balance of trade in the last 10 years of \$21,149,097,144 of exports over imports, as compared with \$7,000,000,000 in 122 years. That can not go on. It is impossible to go on. Unless the farmers of the country are given the opportunity to make ends meet and be able to purchase again, there is, in my opinion, no hope for prosperity in America to continue very long.

Mr. President, Senators need not be alarmed about any great overproduction of wheat in this country, for we have passed the peak of production. The farmers have been driven so hard to make a living that they have not been able to give their

lands any rest and but very little fertilizer. Everywhere in the wheat-growing section of America the soil is becoming exhausted, and the yield is growing smaller per acre each year in most of the wheat-producing States. Even the war, that brought about an increase of 26,000,000 acres of farm products, failed to bring about any great increase over the average pre-war production.

For the information of Senators, I want to read the wheat production in the United States for the past 10 years:-

	Bushels.
1913.....	763,380,000
1914.....	891,017,000
1915.....	1,025,801,000
1916.....	636,318,000
1917.....	636,655,000
1918.....	921,438,000
1919.....	934,265,000
1920.....	787,128,000
1921.....	814,905,000
1922.....	856,211,000

It will be noted that the peak of all, and I doubt if it will ever be reached in America again until we change our method of farming and the farmers are able to buy more fertilizer and have more intensive farming, was in 1915, when the production was 1,025,801,000 bushels.

Unless something is done to assist the wheat growers in the country there is great danger of our soil becoming exhausted and our yield of wheat being reduced until the country will not produce enough for its own needs.

In discussing the bill with a Senator not long ago, he said that the last thing that Rome did before it went down to destruction was to fix farm prices. I reminded him that it was not the fixing of farm prices that destroyed Rome, but the exhaustion of her soil, for in the last years of the Roman Empire the average production of wheat was only 4 bushels to the acre, and all other farm products in proportion.

Mr. President, this country is going to be just as rich as our soil, for, after all, it is from the soil that comes practically all of our new wealth.

There is an old saying, and I think a very true one, that sometimes great public calamities bring a country to a realization of truths that it will learn in no other way. So if out of the great crisis that has overwhelmed agriculture in the last three years the American people learn that agriculture is the basic industry of our Nation, or, as Henry Clay called it, the soul of the Nation, and that upon agriculture rests the prosperity and the future greatness of this Nation; if out of it all, in the future, this Government will give to agriculture the same careful consideration that has been given to other great industries in the past, then the hardships and privations that agriculture has suffered in the last three years will not have been in vain.

Mr. President, I ask to have printed in the Record a telegram transmitting a resolution adopted by a delegation of over 300 business men and wheat growers of eight counties of Idaho and Washington indorsing the bill (S. 4478) to promote agriculture by stabilizing the price of wheat.

There being no objection, the telegram was ordered to be printed in the Record, as follows:

LEWISTON, IDAHO, February 20, 1922.

HON. FRANK GOODING,
Senator, Washington, D. C.:

The following resolution was adopted by the delegation of over 300 business men and wheat growers of eight counties of Idaho and Washington, consisting of Asotin, Garfield, and Whitman, in Washington, and Nez Perce, Lewis, Idaho, Clearwater, and Latah Counties in Idaho, called together by the Lewiston Commercial Club at Lewiston, Idaho, this 20th day of February:

"Resolved, That we indorse Senate bill 4478, introduced by Senator GOODING in the Senate of the United States and unanimously passed on by the Agricultural Committee, and that we ask our representatives in Congress to use every means at their command to bring about the passage of this bill at the present session. We further express a view that this bill will do more to bring about the general prosperity of the country than any other piece of legislation offered in the past, and as the emergency exists we offer every assistance at our command to help in bringing about the speedy passage of this measure."

CHAS. JANSON, President.
ASTOR A. SEABORG, Secretary.

FEBRUARY 21, 1923.

REMOVALS FROM BUREAU OF ENGRAVING AND PRINTING.

Mr. McKELLAR. Mr. President, there are several matters I desire to discuss this morning. One of them is the investigation of the discharge of the Bureau of Engraving and Printing employees. Another is the so-called filibuster. A third is the ship subsidy bill itself. A fourth is the filled milk bill. I do not know whether I shall have time to discuss all of these to-day, but I am going to take them up in their order and discuss them as rapidly as I can.

BUREAU OF PRINTING AND ENGRAVING EMPLOYEES.

Sometime ago, to be accurate, on February 5, 1923, the junior Senator from Arkansas [Mr. CARAWAY] introduced the following resolution (S. Res. 432) on the subject of the discharged employees of the Bureau of Engraving and Printing:

"Whereas pursuant to an Executive order of the President of the United States, issued March 31, 1922, and immediately effective, the director and 27 other officials of the Bureau of Engraving and Printing were summarily removed from their positions and stricken from the rolls of the civil service; and

"Whereas it would appear from subsequent investigation that this removal was without just cause; and

"Whereas said removal reflects upon the honor and integrity of the officials so discharged; and

"Whereas those who were given the places from which said employees were removed have been publicly charged as being instrumental in having issued said Executive order; and

"Whereas it would be for the best interest of the service that the whole matter should be made public; and

"Whereas it would be helpful to know the character, reputation, and fitness of those removed and those appointed to succeed them: Now, therefore, be it

"Resolved, That the Committee on Civil Service be, and is hereby, directed to inquire into the cause or causes of the removal of said employees; the right of the President to have made the order; the character, reputation, and fitness of the men and women so removed; the power of the President to name their successors; the character, reputation, and fitness of the men and women so designated as their successors, and all other facts and circumstances with reference to the matter, and to report to the Senate its findings and such recommendations as it may see fit before the 1st day of March, 1923.

"The committee is hereby empowered to send for books and papers, to require the attendance of witnesses, to administer oaths, and do all things necessary to carry out the purpose of this resolution.

"That the discharged employees, if they shall desire, may be represented by counsel of their own choosing and by them to be paid. The same privilege, under the same condition, is extended to the director of the bureau and those with him appointed to the places vacated by the said Executive order.

"All expenses not otherwise herein provided for shall be paid out of the contingent expenses of the Senate, such expenses to include a stenographer to be paid not exceeding \$1.25 per printed page of said testimony."

Mr. President, whenever an investigation is proposed by a resolution such resolution is referred to the committee of the Senate which is known as the Committee to Audit and Control the Contingent Expenses of the Senate. The purpose of such a resolution being referred to that committee is to ascertain whether or not there is in the contingent fund of the Senate sufficient money to pay for the investigation. In this instance, the resolution submitted by the Senator from Arkansas was very properly referred to the Committee to Audit and Control the Contingent Expenses of the Senate for that purpose. The Civil Service Committee would have jurisdiction over the investigation if it should be ordered, and if an appropriation were not required from the contingent fund of the Senate there would be no point whatsoever in sending the resolution to the Committee to Audit and Control the Contingent Expenses of the Senate, the only function of that committee being, as I have stated, to determine whether or not the Senate has sufficient money at its command to pay for the investigation.

Mr. President, the Committee to Audit and Control the Contingent Expenses of the Senate is presently constituted of the Senator from New York [Mr. CALDER], as its chairman, the Senator from Illinois [Mr. McCORMICK], the Senator from New Hampshire [Mr. KEYES], the Senator from New Mexico [Mr. JONES], and myself. This resolution was sent to that committee and was kept there for quite a while with no action. Some two weeks ago I went before the committee, of which, I repeat, I am a member, and asked that the resolution be reported out favorably. The chairman of the committee stated that he did not think the resolution should be reported; that he did not think there should be an investigation; that the resolution provided, in effect, for an investigation of the President of the United States, and, therefore, our committee should not furnish the money with which to conduct it.

Later on the chairman of the committee called a meeting of the committee and suggested that the special representative of the Department of Justice, who had conducted the investigation, both before and after the discharges, a man by the

name of Charles B. Brewer, should be summoned before the committee. Well, I said, that was all right, but I thought it was nothing but fair and just that some representative of the discharged employees—just one such representative, if there was going to be only one called for the department—should also be summoned, in order that both sides might be heard, if our committee was going to take the unusual course of investigating into the merits of the case.

That request of mine was denied and Mr. Brewer only was called before the committee.

About that time it was reported in the public prints that Mr. Brewer represented the administration, and would give the committee all the facts upon which the discharges had been made. Since that time a statement has appeared in the Washington Evening Star of day before yesterday which I shall now read. The headlines of the article are as follows:

"Ousted bureau officials will be denied old jobs—President Harding feels no regret over changes and feels matter now closed incident."

The article is as follows:

"President Harding feels no regret over the changes made at the Bureau of Engraving and Printing, has 'laid all his cards' before the Senate Committee on Contingent Expenses, and probably will make no further statement in the matter."

"In making this known at the White House to-day, it was said that the President feels that restoration of the civil-service status of the dismissed employees was sufficient to satisfy their claims, in the absence of any specific charges against them."

"The President was also represented as feeling that it was 'neither possible nor desirable' to restore any of the dismissed chiefs to their positions in the bureau."

"Whether the Senate committee before which the President laid his facts, according to the statement to-day at the White House, will ever make public further details was problematical. It was thought, however, in view of developments to-day, that no more official statement may be expected on the dismissals of March 31, last year."

"Chairman CALDER, of the Senate Committee on Contingent Expenses, following a conference with President Harding at the White House to-day, indicated that the committee might make no report of any kind on the Caraway resolution to investigate the Bureau of Engraving and Printing dismissals."

"Hearings have been concluded, Senator CALDER said, the committee calling in only one witness, Charles B. Brewer, special investigator of the Department of Justice. No witnesses were called to represent the dismissed employees, the Senator said. His committee was sitting in the nature of a 'grand jury,' it was explained, and although having concluded its hearings, had not definitely decided what to do about it."

NO REPORT LIKELY.

"The probability is, however, the Senator intimated, that there will be no report at all. 'It would be a serious thing,' he said, 'to investigate the President.'"

"Wide difference of opinion exists in the Senate committee, Senator CALDER admitted, over the value of Brewer's testimony. Senator MCKELLAR, Democrat, Tennessee, member of the committee, has stated that Brewer failed utterly to substantiate the charges upon which it is alleged President Harding based his action."

"Senator MCKELLAR was understood to-day to be still intent on doing further justice to the dismissed employees, and meant to try to get through the committee a proposed bill to pay the dismissed persons all back pay for the time since March 31, when they were let out, and, further, to replace them in positions similar to those from which they were dismissed."

"Whether Senator CALDER conferred with the President over this phase of the situation it was not learned to-day."

"Brewer's testimony impressed members of the committee in various ways, Senator CALDER indicated. The chairman himself had entered the 'grand jury' hearings on the Caraway resolution with an open mind, he said, and had learned from Brewer many valuable things, but added that his mind was still open on the question."

"From confidential sources close to the committee it was learned further to-day that Brewer was not only asked to present his case, but that he was severely cross-examined by members of the committee as to the reasons why he had gathered the charges which were presented to President Harding, and upon which the President acted, without the knowledge and advice of Secretary of the Treasury Mellon."

"Brewer was an early caller at the White House to-day. He refused to discuss his mission there or to make any statement on the Bureau of Engraving matter. Upon leaving the White

House he was photographed for the first time since his implication in the bureau matter."

Mr. President, as to what occurred before the committee there seems to be some difference of opinion. I believe it was stated that the deliberations of the committee were to be considered as "executive." As to just what that means I have some doubt; but, inasmuch as other members of the committee have seen fit to discuss the matter and to say that the President had "laid his cards upon the table" before the committee, making the implication very strong that this special investigator, the representative of the Department of Justice, had facts that implicated in some way directly or remotely these employees, I believe that it is my duty to submit, not a statement as to the deliberations of the committee but to submit the outstanding facts in reference thereto.

I am delighted that the chairman of the committee, my good friend the Senator from New York [Mr. CALDER], is present, and I want to say to him now that if I misstate any facts, if I go beyond the bounds in the slightest degree, I want him to correct me.

Mr. President, Mr. Brewer came before the committee and was examined for several hours on two or three different occasions. The members of the committee present were Senators CALDER, KEYES, and myself. There was no charge and not one scintilla of evidence offered by Mr. Brewer against a single one of these discharged employees. Upon cross-examination by me he admitted not only that he had no charge now to make against the dismissed employees or any of them, but that he never had any charge against any one of them, and that if they had been removed, as he knew they had been removed, they had not been removed upon his recommendation. *He made the further statement that he did not have a scintilla of evidence to connect any one of the 27 discharged employees with any wrongful transaction.*

It is fair to say that Mr. Brewer did present a number of bonds which he said were duplicated and which had been issued, and I believe that the Government had paid both the good bond and the bad bond, if one was bad. However, for my part, I do not believe that Mr. Brewer knows whether the so-called duplicated bonds were wrongfully issued or whether the Government was wronged because of their issuance.

Mr. WILLIS. Mr. President—

Mr. MCKELLAR. I hope the Senator will wait until I get through my statement, because I do not want to go beyond it. If the Senator will wait for just a few moments, I will be glad to yield to him.

Mr. Brewer did present one bond especially that seemed to me to be an absolute duplicate of another bond both as to the number of the bond and numbers of the coupons attached. The two bonds bore precisely the same numbers on their face and the coupons also bore exactly the same numbers. What explanation there may be in reference to that, I do not know. Mr. Brewer did not know. He thought the very fact that there were two bonds bearing the same number and that the same numbers appeared on the attached coupons made one fraudulent and the other good, and he may be right about it. I can not say whether he is right or wrong. I have been informed that because these bonds have the same numbers that fact does not necessarily mean that either of the bonds is fraudulent. As to the particular bond which we examined, he said it had come through a perfectly responsible source; that it had been sold by a splendid brokerage firm that stands second to none in this country, a brokerage firm whose word is perfectly good, whose members are Republicans and close to the administration. If they sold a stolen bond they are liable to the Government under the law; and yet no steps have been taken either to collect on the bond if it was fraudulently issued or to ascertain whether the bond was a duplicate other than in number. So that if the particular bond is fraudulent, it could be ascertained by this special examiner of the Department of Justice almost instantly. I suggested that this be ascertained, but not a word or an intimation that any one of these 27 employees had anything whatever to do with that matter.

Then the question very naturally arises, Mr. President, What connection has any one of these 27 employees that were discharged with the duplication of any of such bonds? None that Mr. Brewer knew—not the slightest connection. He made no charges when he was asked the question directly by me. When asked what connection there was between these duplicated bonds, as he called them, and the discharged employees, or any of them, he reiterated the statement that he had no proof against the discharged employees and had no charges to make against them, and had preferred none.

Mr. President, what is the meaning of these dismissals. The meaning, in my judgment, is that some one or more persons with some ax to grind have imposed upon the President of the United States and had him discharge these employees, when, according to the very investigator who investigated it from the beginning and had investigated it before they were discharged, there was not a particle of ground for their discharge.

I served with the President of the United States when he was a Member of this body. I have the highest opinion of his honor and integrity. I believe he is an absolutely honest man. I do not believe that he would knowingly agree that any wrong should be perpetrated upon any official of the Government, however lowly that official might be. I can not find it in my heart to think that merely for the purpose of putting friends in office Warren G. Harding would stoop to take away the character, the good name of his fellow citizens, which good name the Good Book tells us is more to be desired than great riches. I do not believe that the President would do it unless he had been grossly, outrageously imposed upon by men who were seeking to serve their own selfish interests, and I think that is what there is in this contest, Mr. President—that certain gentlemen, desiring the places that these employees had, deliberately put up a job on the President of the United States, and I believe the President was misled into making these discharges.

Mr. President, that is absolutely and conclusively proved by the one single fact that President Harding, in a recent order, restored to the civil service 26 of the 27 discharged employees; and I believe that if he had known that the other one, Mr. Wilmeth, was under civil service, he would have been included in the lot. It shows that the President, when he issued the order restoring these men, did not believe that there was any evidence against them. No man can tell me, from what I know and saw of Mr. Harding when he was a Member of this body, that he would restore to the civil service men and women who were implicated directly or indirectly, nearly or remotely, in the stealing of bonds from the Bureau of Engraving and Printing. I think the President has been imposed upon, and I not only think he has been imposed upon in the past, but I think he is being imposed upon right now by men who are trying to keep positions that they know they ought not to have. I want to give my reasons for this statement.

The public prints of Washington in the latter part of December, I think, stated that there was a conference on a Sunday between this same Mr. Brewer, the investigator, and the President of the United States, and, if my recollection serves me aright, it was stated that the President called Mr. Brewer before him to inquire about these employees; and I believe that Mr. Brewer stated to the President then "I have no proof now, but if you will give me more time I shall yet be able to connect some one or more of these employees with the bond trouble," or the alleged bond trouble; and the President, in the goodness of his heart, gave him the additional time. He was unable to make good, and therefore recently the President issued that order.

To the extent that it did justice, that order was most commendable to the President of the United States. To the extent that it was done, it should have been done; but, Mr. President, the President of the United States should not have stopped where he did. Those 27 employees of the Government in the Bureau of Engraving and Printing are either guilty or they are not guilty. If they are guilty, they never ought to have been restored, any one of them. If they are not guilty, they ought all to have been restored, and restored to the fullest extent. They should first have had their characters, their good names, restored to them. Then they should have had the offices restored to them. And then they should have had all back pay.

[At this point interruptions by Mr. WILLIS and Mr. REED of Missouri took place, which appear later in Mr. McKELLAR's speech.]

Mr. McKELLAR. Mr. President, I am much obliged to the Senator from Missouri for his contribution.

The Senator from Ohio [Mr. WILLIS] was asking my advice about certain bills in which he was interested, other than the ship subsidy bill. I do not know that my advice is worth very much to the Senator, but if I had a number of bills in which I was interested, I believe I would get the ship subsidy bill withdrawn pretty soon if I wanted to get any of those other bills passed at this session.

Now, I was interrupted in the midst of my discussion of an entirely different subject, and I have got to unbuckle my mind long enough to return to it and finish what I desired to say about it. Then I shall come to both the filibuster and the ship subsidy.

When I was interrupted I was speaking of President Harding's dismissal of these 27 employees and his partial restitution. That restitution should be made complete. It should not be partial. Not only is it due to the 27 discharged employees that an investigation be had, but it is due to the good name of the President of the United States that such an investigation be had. The President of the United States is in the peculiar attitude of having been misled by certain friends into issuing an order that never should have been issued. I believe he has been imposed upon, but he must know the facts now, and the responsibility is his. He is in the further attitude of having implied that he discharged 26 of the 27 men in a way that was wholly unwarranted and unjustified, because he never would restore them by Executive order to their civil service status if he believed his action in dismissing them had been justified.

So that I want to say to my distinguished and my very much beloved friend, the junior Senator from New York [Mr. CALDER], that whatever action is taken at this session by the Committee to Audit and Control the Contingent Expenses of the Senate, the investigation can, at best, only be postponed. This great Government of ours is unwilling to do a wrong to its employees.

We are not going to permit it. This Government will not permit it to be done. These men and women have done no wrong. They are honorable men and women. They were discharged without cause, with not a scintilla of proof against them. Discharged between suns, humiliated, disgraced, dishonored without cause. Of course it is just a matter of time when every restitution will be made that can be made by an honorable Government. It ought to be made now. It ought to be cleared up now. If the President, as I believe, was imposed upon by designing or corrupt men to issue the order, it ought to be cleared up at the earliest possible moment. And it is going to be cleared up, as we all know.

One of these 27 men, Doctor Beach, was from my State. A man of higher character and a more honest man or better man perhaps never lived than Doctor Beach—honest as the day is long. His discharge after nearly 30 years of service in the Government broke his heart. He died, and he is in a premature grave to-day because of the injustice that was done to him.

I want to speak of another man who was discharged, Mr. Wilmeth, who was born in my State, but is now a resident of the State of Arkansas, a State represented in part by the Senator who introduced a resolution calling for an investigation, the junior Senator from Arkansas [Mr. CARAWAY].

Mr. Wilmeth started in the employ of the Government at \$60 a month as a boy, and by his honesty, efficiency, integrity, and upstanding character, he went up through all the gradations of the civil service, step by step, throughout the years until he became the chief of the Bureau of Engraving and Printing, at a salary of \$6,000 per year. He was one of the best and most efficient chiefs of the bureau that ever occupied the place. There was not a scintilla of proof against him, not a discreditable thing about him, and yet he was discharged and turned out and dishonored, and charged with thievery of bonds without a scintilla of evidence to connect him directly or indirectly with it. Will the Congress of the United States stand for that kind of action toward its employees? Will the great Government of the United States stand for that kind of action against its employees? We all know that it will not. Why not do justice and do it now, before some other of these poor employees, like my friend Doctor Beach, may pass into the Great Beyond? Of course, Mr. Wilmeth and all the rest of them should be restored. I want to take another man on the list. By the way, a most remarkable thing happened in reference to the action of the Executive as to this gentleman, Mr. E. H. Ashworth, from Nashville, Tenn., a clean man, a pure man, an efficient man, an upright man. He is a brother-in-law of one of the most distinguished men that Tennessee ever produced, one of the ablest, the late Col. B. A. Enloe. Colonel Ashworth had been in the civil service in the Bureau of Engraving and Printing for 29 years, as I remember. On March 31, last, an examination of his office was completed by a committee of the Treasury Department appointed by the Secretary of the Treasury, consisting of T. H. Braden, S. L'Hommedieu, and John F. Green. His office was found to be absolutely straight, without any fault at all, but worthy of the highest commendation.

At 4 o'clock in the afternoon a copy of the letter prepared by the committee investigating his office, involving all the rolls, dies, and plates, was handed to him, and that splendid gentleman felt that he had been greatly honored by the letter. He felt that life meant a great deal to him on that day when he

left his office at the Bureau of Engraving and Printing. His step was proud, his head was high, because of his consciousness of duty well done and appreciated by his superiors. But he had hardly reached home and his family when the Executive order was issued and served on him separating him in the nighttime from his office. Mr. President, in justice to this faithful employee, this splendid and honest employee, I want to read a copy of the letter which the investigating committee gave him that afternoon just three hours before he was dismissed by the President for alleged implication in the stealing of bonds.

Listen to this, Mr. President:

"MARCH 31, 1922.

"The honorable the SECRETARY OF THE TREASURY.

"SIR: Pursuant to, and in compliance with the instructions of department letter dated the 6th day of January, 1922, your committee consisting of Messrs. T. H. Braden, Samuel L'Houmedieu and John F. Green, appointed by said letter to examine the stock contained in the vault of the custodian of dies, rolls, and plates at the Bureau of Engraving and Printing."

That was Mr. Ashworth's office—

"have the honor to report that the said stock has been examined and checked and your committee submits its report in triplicate herewith.

"Each and every piece of stock, both engraved and otherwise, has been examined and checked by your committee and found to correspond to the records of the custodian of dies, rolls, and plates.

"All the stock which had been canceled in the year of 1921 was destroyed by your committee by causing the same to be melted in the furnaces at the navy yard, with the exception of 25 photonegatives, which, because of their nature, were destroyed at the bureau. The destroyed material consisted of 16,214 pieces and weighed 147,330 pounds. The total stock examined and accounted for was 98,224 pieces.

"Your committee regrets that it found several discrepancies in the records of the comptroller's office"—

In the records of the comptroller's office—

"which were corrected in accordance with the actual plates found in the vault, and made to conform to the records of the custodian.

"Your committee is grateful to both the officials and employees of the bureau alike for the many courtesies shown it and for the splendid cooperation and aid rendered it while engaged in its duties.

"Respectfully,

"T. H. BRADEN.

"S. L'HOMMEDIEU.

"JOHN F. GREEN."

Mr. President, after having received that kind of a letter, certifying that everything within Colonel Ashworth's office had been examined and accounted for, and everything found in exact accord with the records, such little discrepancies as were discovered being entirely in the comptroller's office, in another building, with which Mr. Ashworth had nothing to do, and which were corrected by reference to Mr. Ashworth's books, think of his pride in going home to his family and showing, as he proudly did, that letter approving and commending the management of his office; and then think of what must have been his feelings when, like a bolt out of a clear sky, here came an Executive order, in the nighttime, which order has since been shown to be without the slightest foundation, without a scintilla of evidence to support it, without a charge against the man. Think of what must have been his feelings when he read that order and had to let his family know about it. No wonder when he was talking to me about it a few days ago that the tears welled in his eyes at the great injustice that the greatest Government on earth had done to him, an humble but honest and respected employee of the Government.

Oh, Mr. President, this Congress ought to act in behalf of these men; this committee ought to act on this resolution. It ought to restore not only Colonel Ashworth to his position, but to restore every one of the other 26 employees to their positions. We ought also to pass a bill appropriating the money to pay them their salaries from the time they were discharged to the present. We ought in justice to restore them to their original places in the Government service. If we do less, we shall not only dishonor them with false charges, but we shall dishonor ourselves. If the President, with the proof in the hands of this examiner, does not take that position, he will do much less than I believe he ought to do and much less than I believe he will do. He owes it to himself, he owes it to these employees, he owes it to this Congress, he owes it to the American people to do justice to these men and women who

have been wronged. The committee, by a vote of two Republicans to one Democrat, refused to report Senator CARAWAY's resolution out. I voted to report it out. Senators CALDER and KEYES voted "no."

Mr. President, I should add three fine splendid women, as I have been informed—I do not have the pleasure of knowing any of them, but some of them had been long in the service of the bureau—were dismissed, and several months afterwards were restored, not to their old places but merely to such positions as they could get. They had to work for their living, and they had to take what they could get. They were discharged under circumstances which accused them of theft of bonds, and surely their salaries ought to be restored, and there ought to be made up to them every dollar that they have lost.

I do not know what the women of this country are going to do about it. I was one of those who have believed in the right of women to vote. I voted for woman suffrage in the other House when I was a Member of that body, and I voted for it time and again here. Unless I am very greatly mistaken in the ability and courage of the women, they will demand as a body the restoration of these women who have been injured by this Executive order to their former places, and payment to them all losses in salary. This is as little as can be done. I believe that as to all these employees the Congress should by appropriate legislation express its regret over the injustice done them and take such action as may be necessary to make them whole.

Mr. WILLIS. Mr. President, will the Senator yield?

Mr. McKELLAR. There has been an interruption, and if the Senator from Washington [Mr. JONES] is willing I shall be delighted to yield for a question.

Mr. WILLIS. The Senator has the floor. I desire to ask the Senator a question about another branch of the subject. I am asking permission to interrupt him only because I am compelled to leave the Chamber.

Mr. McKELLAR. I am glad to yield to the Senator.

Mr. WILLIS. There is no disposition to take the Senator off the floor, I should say.

Mr. McKELLAR. The Senator from Washington has very kindly, in that usually pleasant manner of his, indicated that he does not wish to take me off the floor.

Mr. WILLIS. I understand that the Senator announced that he expected in the course of his remarks to discuss the filibuster that is now going on, and has been going on for some time. Did I correctly understand the Senator in that respect?

Mr. McKELLAR. No; the Senator did not correctly understand me in that respect. If there is a filibuster going on, it seems to be going on upon both sides. It looks as if everybody is taking part in it. It is getting so very popular that Senators on both sides are participating in it. For instance, the distinguished Senator from Massachusetts [Mr. LODGE], the distinguished senior Senator from Idaho [Mr. BORAH], and the distinguished junior Senator from Wisconsin [Mr. LENROTH], all took part in it yesterday. This morning the distinguished junior Senator from Idaho [Mr. GOODING], the distinguished senior Senator from Indiana [Mr. WATSON], and several other Senators on the other side of the Chamber seem to be taking part in it. I will say to the Senator that I have been trying for several days to get an opportunity to discuss the discharge of Bureau of Printing and Engraving employees first, and then to discuss the ship subsidy bill in connection with the so-called filibuster, and I have not been able to get the opportunity. I have been crowded out for two or three days, but I have the floor now, and I hope to discuss it, and I am sorry the Senator is going to leave the Chamber.

Mr. WILLIS. I am not leaving because the Senator is going to make a speech. I am compelled to go, otherwise I should remain.

Mr. McKELLAR. I am glad to have that assurance; but, anyhow, I am sorry the Senator is going to leave the Chamber, because it has been charged that no one has offered a substitute measure of relief for our shipping that is as good as, or better than, the so-called cash subsidy shipping bill. I am going to discuss the substitute that I offered some time ago, and I believe I can prove to the Senator from Ohio that my substitute is infinitely better than the cash subsidy plan that has been proposed by the committee. Does the Senator wish to interrupt me further about it?

Mr. WILLIS. If I may, I should like to.

Mr. McKELLAR. With the understanding that I am not to be taken off my feet, I shall be delighted to yield.

Mr. WILLIS. I wanted to be sure I understood the Senator. I am not seeking now to fix the responsibility for the filibuster. The Senator admits that there is a filibuster going on; or, at any rate, I will put it in this way: It is stated in the press of

the country everywhere, and the people believe, that there is a filibuster. Does the Senator deny that there is a filibuster against the shipping bill?

Mr. McKELLAR. Well, I will put it in this way: Of course what is the definition of a filibuster is rather problematical. A filibuster is a filibuster to those Senators who want to put over certain legislation that they are in favor of, but a filibuster is not a filibuster to those Senators who are opposed to legislation that they do not want passed. [Laughter.] Does that answer the Senator?

Mr. WILLIS. No; that does not answer me. I accept the Senator's definition, though, for the purpose of this inquiry.

Mr. McKELLAR. I think I can cut short what the Senator wants to know, and I will tell him right now—

Mr. WILLIS. What I want to ask the Senator is this—

Mr. McKELLAR. Just one moment; I think I can tell the Senator without his asking the question. *The ship subsidy bill is not going to pass at this session of Congress.*

Mr. WILLIS. That is precisely what I wanted to know.

Mr. McKELLAR. All right. I knew it, and I wanted to give that information to the Senator.

Mr. WILLIS. It has been rumored, and the press has stated, that there is an understanding among a number of Senators, not only that they will vote against the ship subsidy bill but that they will exhaust every parliamentary resource to prevent the ship subsidy bill from coming to a vote. Does the Senator know whether that is a fact?

Mr. McKELLAR. I can not speak for the rest of them, but I want to speak for myself. In my campaign last year in Tennessee I told the people of Tennessee that my opponent was in favor of this ship subsidy bill and that I was against it, and that I was not only going to speak against it, I was not only going to work against it, but I was going to use every means in the power of a Senator to defeat this bill. I am going to carry out that pledge, and I believe the bill is going to be defeated.

Mr. WILLIS. Then the Senator himself admits that whether there may be any others or not, he is one of those who will exhaust every parliamentary resource—and he is a master of those things—to prevent this bill coming to a vote?

Mr. McKELLAR. I have already stated my position to the Senator.

Mr. WILLIS. One other question.

Mr. McKELLAR. I want to say this to the Senator: There are at least six members of the Senator's own party who have told me that the bill would not pass if the Democrats did not have anything at all to do with it.

Mr. WILLIS. Can the Senator name the six Senators?

Mr. McKELLAR. I do not care to name them.

Mr. REED of Missouri. Mr. President—

Mr. McKELLAR. I do not think it is necessary to name them. The Senator knows them as well as I do. All you have to do is to make a poll over on your side and you will find them.

Mr. REED of Missouri. Mr. President—

The PRESIDING OFFICER (Mr. BROOKHART in the chair). Does the Senator from Tennessee yield to the Senator from Missouri?

Mr. McKELLAR. I do not want to be taken off my feet. I am perfectly willing to yield to the Senator from Missouri if it does not take me off my feet.

Mr. JONES of Washington. Mr. President, I will not invoke the rule unless I feel at the time that the interruption is being made just to consume time.

Mr. McKELLAR. That is very, very courteous of the Senator from Washington, and I hope he will indicate just before he begins to invoke it.

Mr. JONES of Washington. I certainly will.

Mr. McKELLAR. It will be complied with, of course. I now yield to the Senator from Missouri.

Mr. WILLIS. Will the Senator permit just one more interruption?

Mr. McKELLAR. Will the Senator from Missouri excuse me a moment while I yield further to the Senator from Ohio?

Mr. REED of Missouri. Certainly.

Mr. WILLIS. I am accepting the Senator's statement that there are six Republicans who are prepared to exhaust every parliamentary resource to prevent this bill coming to a vote.

Mr. STANLEY. Mr. President—

Mr. WILLIS. Does the Senator know whether there are any Senators on the other side besides himself who are expecting to take that position?

Mr. McKELLAR. Mr. President, I just want to say this: There are six Members on the other side and nearly all of the Members on this side who think that this bill is so vicious, so inconsistent with the American doctrine of "equal rights to

all and special privileges to none," that they are determined individually and collectively to use every honest and fair means to defeat this bill; and, in my judgment, I will say to the Senator, the bill will be defeated.

Mr. STANLEY and Mr. REED of Missouri addressed the Chair.

Mr. WILLIS. If the Senator will permit me—

Mr. McKELLAR. I yield to the Senator from Ohio, and then I will yield to both of the other Senators.

Mr. WILLIS. If the Senator's opinion proves to be well grounded, it seems to me that the statement he has made is a very important one, first, because of the effect that it ought to have, and in my judgment will have, on the course of business in the Senate.

The Senator knows that I am for this bill, but I am for some other bills, too; and if there is such an organization as to prevent this bill coming to a vote I think that fact ought to have some influence upon the conduct of the business of the Senate; and, secondly, it ought to have some bearing upon the question as to whether or not in the next Congress we shall change the rules of the Senate so as to enable the Senate to become a legislative instead of a debating society. I am in favor of such a change of rules.

I thank the Senator.

Mr. McKELLAR. If the Senator has finished, I beg to say that I do not know anything further than that in the opinion of a very large number of Senators—I do not know how many—this question was settled at the polls last November, and we do not propose to permit a violation of the result of the election last November. The subsidy bill might as well be withdrawn.

I now yield to the Senator from Missouri. I will yield to the Senator from Kentucky in a moment.

Mr. REED of Missouri. Mr. President, I rose for the purpose of obtaining some light myself. I was wondering whether the Senator from Ohio really asked these questions for information or whether he has sat here all this time in ignorance of what is going on. [Laughter.] I was about to make the remark which the Senator has just made: If there is a filibuster in progress, it was begun at the polls last November by the American people, when they shortened the majorities in these two bodies. We all know that the reason this bill is now being forced with such tenacity is because the administration well knows that it can not put over this bill in the next Congress; that the representatives of the people elected since the issue was presented to the American people can not be mustered into a majority for it.

Will the Senator yield—

Mr. McKELLAR. I will yield in just one moment. I just want to add to what the Senator from Missouri has said that I do not think there is any more chance of the bill being put into law at this session of Congress than that it will be put into law at the next session.

Mr. REED of Missouri. Will the Senator permit me? I am asking permission to make these interruptions because it will be the only opportunity I shall have to say just a word about this matter.

Mr. McKELLAR. I will yield so long as my good friend from Washington does not interfere.

Mr. REED of Missouri. If we trace the history of the ship subsidy bill in this Congress, we find that it was brought forward as one of the first measures to be passed by this Congress. We know that it was put aside, and that it was finally postponed until after election because there were many Members of Congress who said they did not dare vote for it and go to their people on their votes. Hence it was delayed until after the election in order to permit some of those gentlemen to slip back here without having committed themselves in advance of the vote by the people.

We are told that if we pass the bill, if we turn these ships over to private interests, and if we pay a certain subsidy, then our flag will fly above the waters of every sea and the ships will do a thriving and prosperous business. If that is true, then the trouble is not with the sea and not with the ships and not with commerce but with the management of the fleet. If subsidized parties can run the ships at a profit to themselves, then the Government of the United States, with an equally efficient management, could run the ships without a loss of any more money than the subsidy would amount to. When the plea is made that by turning the ships over to private parties and giving them a subsidy, they can run them and make money, the present governmental management is indicted for inefficiency.

The right remedy would be to appoint men to the board who know something about ships and maritime commerce, instead

of having at the head of our great merchant marine a former advertising man, and for members, gentlemen who would not know starboard from larboard unless it was pointed out to them by a deck hand.

Everybody knows there is an advantage in monopoly. Everybody knows that while there are disadvantages which have relation to the rights of people, yet a common management of a great enterprise has certain economic advantages. Here, then, is this fleet of vessels. Here are the markets of the world. Here is the open sea. When we are told that a number of private parties can operate these boats and make money with them if we give them this subsidy, then the question arises why can not the Government of the United States do the same with no greater loss than the amount of the subsidy? When it is said that they can not run at all even with that much loss, but that the ships must be junked, then it is admitted that our business is in the hands of incompetents. The case is then admittedly out of court. The admission is then made that we have a lot of incompetents for the business. Some one has gone out and picked up an advertising man and started him to running our ships. That is as idiotic as it would be to take an old salt who had sailed before the mast all his life and make him advertising manager for an advertising business. What should have been done was to find the finest talent and experience there is on the American Continent, talent and experience that has grown up out of the actual management of ships upon the sea, business ability that has to do with trade and commerce on the ocean, and then give them a free hand to manage the matter as they would a business enterprise.

But has that been done? Why, away back yonder when we enacted this law under President Wilson's administration—and I do not say it to criticize him—how many weeks or how many months elapsed between the enactment of the law and the appointment of the first board? Then we had the ships for a long time under a distinguished admiral of the Navy. That man had been trained to run fighting ships and to fight, not to trade. One has to know something about trade if he is to enter the markets in competition with the world. We put him in, a good man if he had been commanding a war fleet, but we were not engaged in war. We were engaged in trade. Then we went out and found some other absolutely inexperienced men and put them in charge of those great ships. If the worst enemy of American shipping under Government management who ever lived had been placed in charge, he could not have taken a better course to bring this great plan to wreckage. What we need to-day is a board of men who know how to run ships.

I could not run a ship. I would be as worthless in running a shipping business as I would be in trying to sail a ship. If I tried to sail a ship I would run it on the rocks and destroy it, because I would not be competent. We might as well appoint a lot of old sea dogs to run the mining business or the farming business or to run the great steel plants as to appoint an advertising agent or a man of that kind to conduct a business that has to reach all of the parts of the world, and that requires a knowledge of commerce and foreign trade conditions everywhere.

Let us have a little sense about this business. I say that when the administration stands before the American people declaring that ships can be run, that our flag can be kept afloat, and that money can be made by our fleet if we will just pay a subsidy, which they say is very small, then they have to answer the question why they have not run the ships that way, and why they have been so utterly incompetent as to bring about a condition which they say means the destruction of a fleet that cost us thousands of millions of dollars.

Let us kill the bill. Then if the administration does not know enough to select a board composed of men who can run ships, let us enact a law that will demand and require the right kind of board.

The absolute bad faith of this entire performance is clearly demonstrated by the fact that the very men who stand here clamoring that we shall appropriate hundreds of millions of dollars of the taxpayer's money and deliver it as a subsidy to certain favored operators of our ships are the very men who voted to place an embargo on all commerce and who destroyed American shipping when they enacted the present tariff law. That law as applied to shipping can be summed up in this language: We expect American ships to make money by going from the United States ports to the ports of the world loaded with American products but we absolutely insist that they shall come back with empty bottoms. Everybody with the slightest amount of sense knows that the only way ships can make money is by being freighted with goods on return voyages as well as outbound sailings. The real advantage which

British merchant vessels have over American ships is found in the fact that they can not only carry a full cargo of English goods to any part of the far-flung British Empire but they can also come back to Great Britain loaded with the products of the countries with which they trade. The absurdity of the present administration's position is that it first destroys shipping by its absurd tariff law, and then proposes to make shipping profitable by taxing the people of America. The vicious tariff law was repudiated by the people at the last election. This blundering and incompetent administration will be repudiated in 1924.

THE FILIBUSTER.

Mr. McKELLAR. I next come to the question of the filibuster. I defined filibustering a while ago, and I think my definition is exactly right. A filibuster is a filibuster to those who want to pass a bill which is very strongly opposed, but it is not a filibuster to those who are attempting to defeat that bill. In that position I find that I am sustained by a very great authority.

As I understand—and if I am mistaken I want to be corrected—the real official organ of the present administration is the Washington Post, a perfectly splendid newspaper, ably edited, vigorous, standing for what it believes is right, at any rate, at times. I read with a great deal of interest, in view of its past record, an editorial in the Post of yesterday.

I take it that that editorial is an expression of the administration's position about the filibuster. It is generally understood that the Washington Post more particularly represents the present administration than any other newspaper in the country. It is on the inside, so to speak, and I can readily understand how it gained the reputation to which I have referred, because it is a great newspaper; it is a powerful newspaper; it is an influential newspaper. I am not here to say aught against it, but I desire to call the attention of the country to the remarkable change that has come about in the expressions of that paper within the last few years on the subject of filibustering. In order that it may be fully understood, I now propose to read the editorial appearing in the Washington Post of the issue of Wednesday, February 21, 1923. The editorial is entitled "Reform of the Senate," and reads as follows:

"The opponents of the shipping bill in the Senate have entered upon a course which may have unexpected and historic results. The filibuster, organized by a minority presumably made up entirely of Democrats, has developed full strength and undisguised character."

I digress here long enough to wonder if the Post is reading anybody out of the Republican Party, for everyone knows that quite a large minority of Republican Senators are fighting this bill very vigorously, and that the majority of them in their hearts are not in favor of this bill; and if there is any filibuster, I presume Republicans opposing it are doing as much of it as or more of it than anybody else.

"Against the advice of Mr. UNDERWOOD, the able and experienced leader of their party in the Senate, the Democrats who oppose the bill are resorting to a parliamentary trick to defeat the will of the majority. It is intended by the filibustering minority to deny to the Senate and the country the right to have a decision upon the shipping bill."

"The reason why the minority resort to a filibuster is because the bill would pass if brought to a vote. If the opponents of the bill were in the majority they would not shrink from a vote, because they could kill the bill outright. Not having the votes, the minority seize upon the rule of the Senate which gives to each Senator the right of unlimited debate, and by violation of the spirit of this rule they hope to kill the shipping bill."

"The vice of this action is so obvious, and its effects are so damaging to the good name of the Senate, that the people of the United States can not fail to direct their attention to the situation that has arisen."

"President Harding foresaw the filibuster, apparently, when he asked the Senate to bring the shipping bill to a vote. He asserted that the country had a right to expect a vote, and he added that the Executive was entitled to know the will of Congress on the subject of the merchant marine. The Executive can not discharge his duties satisfactorily in the absence of a decision by Congress. The mere failure of Congress to decide, as a result of a filibuster, will not throw any light whatever upon national policy with regard to the merchant marine. The President will still be in the dark concerning the wishes of Congress, and the Treasury will still be paying out \$50,000,000 a year as a net loss under the existing provisional arrangement."

"The filibuster, if successful, will therefore continue for another year the present arrangement, with an additional loss of \$50,000,000, most of which might have been saved if the shipping bill had passed."

"The opposition to the shipping bill offers no alternative plan for the regulation of the merchant marine."

By the way, I will stop reading here long enough to say that I greatly regret that I have not sent my proposed substitute for the pending bill to my good friend the editor of this newspaper. I will send him a copy to-morrow. My substitute shows a very complete plan, which I hope the editor will carefully consider. It has been offered for several months, as I recall; certainly for several weeks.

"The defeat of the shipping bill would save nothing, but on the contrary would insure continued loss. Therefore the opposition, in conducting the filibuster in the Senate, is virtually conducting a raid upon the Treasury. The rambling filibuster speeches seem to cost nothing but the physical vigor and self-respect of the speakers, but actually they are costing the people of the United States millions of dollars.

"The money cost of the filibuster, however, is as nothing compared to the loss of prestige of the Senate."

I call special attention to this portion of the editorial, in view of the position which this newspaper has taken in the past, as I will call attention to in a moment.

"In a country noted for its love of directness and promptness, there is afforded a spectacle which turns the great Senate into a mockery, and which exhibits its members in a contemptible light to the people. Dignity naturally surrounds a chamber from which issues the law governing a mighty nation. The people's reverence for the institutions created by their fathers, in travail and martyrdom, would keep the Senate in high esteem, and the honor of serving in that body would be eagerly sought and dearly prized by any citizen, however nobly gifted. But a scene such as that now being enacted, when one Senator after another speaks to exhaustion on subjects alien to the bill, with the avowed object of misusing the Senate's own rules in order to violate the right of the majority to have its will—a scene like this shocks the public sense of decency and wounds its sense of reverence. Senators become mere tricksters, resorting to methods which would be frowned upon in a police court; and the Senate itself becomes a hissing and a jest.

"So the present filibuster may have results quite unexpected to the gentlemen who are widening the breach between the people and the Senate. The shipping bill may pass or may be defeated by the filibuster—its fate may become subordinate to another question transcending all others until it is settled, and settled right. This question, made acute by the filibuster, will be:

"Will the Senate reform its rules and proceed to fulfill its proper functions, or will the people reform the Senate?"

"Superficially, it appears most difficult for the people to reform the Senate, because constitutional amendments must be passed upon by the Senate itself. Actually, however, nothing is easier than the reformation of the Senate by the people, once they are aroused and determined to put an end to the abuse that is making the Senate unpopular. Let the Senate make itself unpopular enough by failing to perform its duty and the people will do the rest. They will not resort to a constitutional amendment, but will act directly, by eliminating the unfit and electing men pledged beforehand to reform the Senate rules. Every filibuster, successful or unsuccessful, hastens the day when the reform of the Senate will be a burning issue."

The date of that editorial is February 21, 1923. I now read an editorial from the same newspaper on the subject of filibustering. I think that this is a matter of very great importance, in view of the function that the Washington Post performs, at least in the city of Washington, as an administration organ. It is virtually the administration organ, and therefore what it says is of vast importance to the people of this country.

On Saturday, January 23, 1915, when another shipping bill was before this body—a Democratic shipping bill—and, depending on what you call a filibuster, a Republican filibuster was on, this editorial appeared in the same paper. Whether or not it was written by the same editor I do not know, but I imagine so. I want to read it. It is on page 6 of the Washington Post of January 23, 1915. It is headed "The filibuster." By the way, I want to say before I start that it indorses my definition of a filibuster, heretofore given, exactly.

Says the editorial:

"It is a rather narrow line that is drawn between honest discussion of the defects of a bill and a filibuster. If a man is against a measure, a three-day speech would naturally be regarded by him as fair discussion in the public interest. If he were in favor of the bill, it would be a filibuster.

"There is a serious question as to whether an actual filibuster may not be more worthy of praise than attempts to jam through a measure by use of the party whip or by physical punishment of those who oppose the measure. If the Dem-

ocrats themselves were united in favor of the ship purchase bill, there would be some excuse for their present tactics. The fact is, however, that few of the Democrats believe in it, and few of them know what shape the bill will finally take.

"How can the supporters of the bill blame the opponents for their determination to discuss every phase of the measure? Considering their own disagreements and lack of harmony, it is hardly good taste for them to absent themselves from the Senate when the bill is under discussion.

"Questions which are being asked by the opponents of the bill—questions designed to bring out information as to whether or not the measure will work to the public interest—are going unanswered simply because those who have been brought into line for the unperfected measure intend to ignore the merits of the matter.

"Are the Democrats willing to say to the country that they can not make any defense of the ship purchase bill? Are they willing to say that they have abandoned arguments and intend henceforth to resort to technical means of 'gagging' the opponents of the bill? Are they willing to say that they had to resort to night sessions to tire out their opponents, thus establishing merely the fact that human endurance has its limitations?"

"Some exceptionally able arguments were made with reference to the ship purchase bill by Secretary McAdoo in his Chicago address. It would be worth while for the advocates of the bill to follow his lead, and at least give full information to the public as to what may be said in favor of the measure. Free discussion can not hurt any meritorious project. Surely the Democrats in the Senate do not want to plead guilty by their silence in the face of the Republican assaults on the bill."

Mr. President, lest we forget, I will stop here long enough to say that in 1915 the Democrats were in control of this body, and they brought forward what was known as the ship purchase bill. It was a bill which afterwards substantially passed, and upon which our merchant marine as it now stands was built. Our Republican friends, at a short session of Congress, just as this is, then said that the bill ought not to pass, and that every honorable means ought to be resorted to to prevent the passage of the bill. I do not see here now the distinguished chairman of the committee, in charge of this bill, but my good friend the Senator from Washington [Mr. Jones] made a little argument—a very fine one, too—of 14 hours against that bill. Of course, that was not filibustering then, because he was on the other side of the question.

My good friend the Senator from Utah [Mr. SMOOT], I think spoke even longer than that, and various other Senators who were opposed to that bill talked not for hours, not for weeks, but for months in order to prevent the passage of that bill; and they were upheld, as I shall show in a few moments, all along the line by the Washington Post, the same paper that tells us now that we are making the Senate unpopular, and we are going to be legislated out of office by the people, because we demand a free discussion of this bill, and a vote upon it by those who were chosen by the people to vote upon it.

Mr. President, they can not scare us in that way. Both our Republican friends on the other side and their official spokesman, the Washington Post, must have a better record on filibustering before they can scare us off by saying that they are going to legislate us out of office if we talk too long and if we discuss this bill. But our friends on the other side say: "Oh, we have a majority for the shipping bill now, including the 10 Senators who will not come back. We do not know whether we will have that majority next year or not, and we want to jam it through now." In the words of the Post editorial: "We know that the people have turned us down at the polls, and we want to put through this subsidy bill regardless of the people, regardless of their expressed will. We have the physical power; we have the physical number of votes."

President Harding comes to the Congress and pleads that this bill shall be voted upon by these men who have been repudiated by the people of their States. I mean no disrespect to them. They are as fine a lot of Republicans as I ever saw. I have nothing but the kindest feelings toward them; but, however that may be, they have been politically repudiated by the people of their several States with the ship subsidy bill as an issue; and yet the President asks us to submit this question to the votes of these men who have been repudiated by the people at the polls, because without their votes there would not be a chance on earth for this bill to pass.

Let me call attention to this very editorial, taking an entirely different course, several years ago.

The editorial says:

"There is a serious question as to whether an actual filibuster may not be more worthy of praise than attempts to jam through a measure by use of the party whip or by physical punishment of those who oppose the measure."

Ah, how pertinent to this question! Here is a political party undertaking to jam through a measure without debate, without argument. I think only two or three Senators on the other side have spoken for this measure. My distinguished and highly esteemed and much-beloved friend, the chairman of this committee, has spoken out in meeting, as he always does; but what others on the other side of the Chamber have given the public the reasons why this bill, which is a departure from every principle that the American people hold dear, should be passed? Who has spoken in favor of it? And yet, by virtue of a physical majority that has been repudiated at the polls, it is sought here, in the closing days of this Congress, at the behest of a political organization, to jam through—in the words of the distinguished editor of the Washington Post—this bill that has been repudiated by the American people!

Oh, how truly did the editor of this paper speak at that time!

I read again:

"If the Democrats themselves were united in favor of the ship purchase bill there would be some excuse for their present tactics."

Mr. President, just strike out the word "Democrats" and insert the word "Republicans," and read it:

"If the Republicans themselves were united in favor of the ship purchase bill there would be some excuse for their present tactics."

And it would fit this situation like a glove.

Mr. President, this editorial says, "United in favor of it." Why, there never was such a difference of opinion on a question of this kind in the Republican Party or any other party. As I remember, when the ship purchase bill was up in 1915 three Democrats objected to it, but with the exception of those three the party was united.

Mr. JONES of Washington rose.

Mr. McKELLAR. Were there more?

Mr. JONES of Washington. I think there were seven.

Mr. McKELLAR. I thank the Senator for the correction, because I want to be absolutely accurate. There were seven, and there are more than that in the Republican Party to-day. When this matter comes to a show-down there will be more than seven Republicans against it, and they are really against it; they are fighting against it; they are determined that it shall not pass at this session, that it shall not pass without being properly debated, that it shall not pass without being considered in its every aspect, this great departure from everything that Americans have been taught in the past to believe was a true policy in reference to such matters.

Mr. President, let us see for a moment how the Republicans are divided. They have a majority here of 22. I saw two or three days ago in the Washington Post—which everybody assumes is an official organ—that the Senate, if it voted at this time, would be 50 votes for it and 46 votes against it. Since that time one Senator who was then counted for it has openly and boldly announced in this body, as he did on yesterday, that he was going to vote against this bill, so that will make it 49 to 47. It is getting very close. It shows what arguments will do. It shows what discussion will do. It shows what careful thought and consideration will do.

Mr. FLETCHER. Mr. President—

The PRESIDING OFFICER (Mr. Moses in the chair). Does the Senator from Tennessee yield to the Senator from Florida?

Mr. McKELLAR. I can not yield unless my good friend from Washington permits.

Mr. JONES of Washington. Mr. President, I told the Senator awhile ago that I would notify him before invoking the rule.

Mr. McKELLAR. That still holds good?

Mr. JONES of Washington. Yes.

Mr. McKELLAR. I shall be glad to yield to the Senator from Florida, then.

Mr. FLETCHER. I was going to put my suggestion in the form of a question, but, if it is agreeable, I will state it the other way. As I figure it, out of this alleged majority, small as it is, as claimed even by the proponents of the bill, at least seven of our Republican friends who would vote for the bill will not be here after the 4th of March. They were defeated in the last election.

Mr. McKELLAR. Yes; as I stated a little while ago, the bill could not possibly pass without the votes of those Senators who will not be here in the ensuing Congress; and especially is that important here when nearly all of those who were

defeated, unfortunately for them—I say, "unfortunately" because I love them all—were largely defeated upon the issue of the ship subsidy bill. It played an important part in the campaign in every State in this Union, and these gentlemen were defeated on it; and yet the President wants to have this bill—which has been repudiated at the polls—passed by votes that will not be with us after March 4.

Now, Mr. President, I want to call attention to another statement in this editorial:

"How can the supporters of the bill blame the opponents for their determination to discuss every phase of the measure?"

Why, of course we are going to discuss it. We feel greatly encouraged at the result of our discussion of it. We know of one convert that has come over already. He has announced it. It has been growing ever since this bill came before the Senate. It was introduced, I think, about a year ago. The Republican Party could have brought it up before the Senate long ago, but they chose to bring it up here at this special session, and I do not believe they actually took it up until this short session. They were afraid to bring it up before the last election—afraid that if passed it would defeat them. But by introducing it, they were committed to it, and could not avoid the issue, and on that issue largely they were defeated. After defeat, they now want to pass it anyway.

Mr. President, how can they blame us? They have not discussed it themselves. They have not given us any real reasons why we should depart from our historic policy of not giving special subsidies to shipping interests. They have given no good reasons to the country or to the Senate itself. Why should they undertake to pass, and how can they blame us for being opposed to, a bill that they themselves will not discuss, and that has been repudiated by the people of the United States?

Mr. President, I suppose that every Senator who was elected in this last race not only made the statement that he was opposed to the ship subsidy bill, but made the statement that he would take every honorable means to defeat it, including seeing that there was a fair and a full and a frank discussion of the merits of the bill.

Now I come to another suggestion:

"Considering their own disagreements and lack of harmony, it is hardly good taste for them to absent themselves from the Senate when the bill is under discussion."

How that applies to the other side of the Chamber at this time, and not to this! It applies absolutely to the other side of the Chamber. When a Senator on the Democratic side or on the Republican side announces that he is going to discuss the ship subsidy bill, all of the chairs on the other side are vacated immediately. Republican Senators will not listen. They do not want to hear the arguments about it. They have made up their minds under an executive whip that they are going to swallow the bill, and I want to say that while perhaps there are only 10 or 12 Republicans who will vote against this bill, you all know down in your hearts that nearly all of you are opposed to it. You know that you have not any interest in it. You will not deny it. You would give anything in the world, just as the Senator from Ohio [Mr. WILLIS] indicated a while ago, if you did not have to vote for it.

Mr. HEFLIN. There are only two Republicans in their seats now.

Mr. McKELLAR. No; there are three, and there walks in the Senator from Idaho [Mr. BORAH], too. We will count him. I was just talking about the Senators on the other side who are so greatly interested in this bill that they will not come near when it is being discussed by anybody, it does not make any difference who it is. Even the Senator from Idaho [Mr. BORAH] yesterday did not have the audience of Senators that he ought to have had, eloquent, splendid speaker that he is.

Mr. President, as I was saying, we all know that in their hearts the majority as well as the minority over there—I mean, the minority of that party as well as the majority of that party—are opposed to this bill. They do not want it to pass. It will not grieve them if it does not pass, but they do not want to fall out with the Executive. They do not want to come to the parting of the ways with him, of course; but we know here, we who negotiate with them daily, that they have no interest in this bill. We know that they do not want this bill passed. They know that we know that they would be delighted if the bill should fail, as of course it will fail; and they all know that, too.

I do not think there is a Senator on the other side of the Chamber who does not know that the bill is not going to pass at this session, and I doubt if there are a dozen over there who in their hearts believe it ought to pass.

Questions are being asked about the bill by the opponents and there is nobody here to answer those questions.

So it is to-day. But I want to say that I am not confined in any way to just one editorial of the Washington Post standing by the filibuster against the shipping bill of 1915. There are many others. The record is complete. It was the habit in those days for the Washington Post to defend the filibuster. It wrote a beautiful editorial about my friend, the Senator from Washington [Mr. JONES], when he was filibustering against the shipping bill in 1915.

Mr. CARAWAY. Mr. President—

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Arkansas?

Mr. McKELLAR. I yield.

Mr. CARAWAY. That shipping bill was a bill which was intended to equip us to engage in the World War which we knew we must shortly enter.

Mr. McKELLAR. Yes; but that did not cut any figure in those days. It was presented by the Democratic Party and it was filibustered against, with the hearty approval of the Post. But, oh, what a change! I stop here to digress just a moment to discuss the suggestion of my friend from Arkansas. What a change would have been brought about and what an advantage it would have been to America in the World War if the shipping bill of 1915 had been passed instead of being defeated—defeated by the eloquence of Republican Senators, 14 hours of it by my distinguished and splendid friend, the senior Senator from Washington [Mr. JONES], and about an equal amount by my good friend, the Senator from Utah [Mr. SMOOT].

Mr. HARRISON. Mr. President—

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Mississippi?

Mr. McKELLAR. I yield.

Mr. HARRISON. That is a very startling statement which the Senator has made. Does he mean that the senior Senator from Washington [Mr. JONES], the Senator in charge of the pending shipping bill, spoke for 14 hours filibustering against the ship purchase bill a few years ago?

Mr. McKELLAR. I mean exactly that, and I mean further to say that he made a very fine speech. I am going to quote from it directly. I indorse much of it.

Mr. CARAWAY. I hope the Senator will let me know when he reaches it, because I want to go out. I do not want to listen to a filibuster.

Mr. McKELLAR. I am coming to it directly. Yes, the Senator from Washington made a splendid argument. It will be remembered that he had much to say about this point—and, by the way, if I make a mistake about it I hope the Senator from Washington will correct me. He said the people from the "amen corner" had not been heard from. I think I have an editorial here praising the Senator from Washington for referring the shipping bill of 1915 to the people in the "amen corners" in the various parts of the United States. He made a splendid speech in favor of the filibuster. He was just as frank about it then as I am to-day. He stated it openly. The Senator from Washington does not conceal things. He is as straight from the shoulder as any man I ever knew. He did not conceal at all. He said the bill was not going to pass, and it did not. The Washington Post, which is now the official organ of the administration, upheld him in every particular.

Mr. HARRISON. May I ask what explanation the Senator from Washington now makes for his attitude at that time?

Mr. McKELLAR. I do not know that he makes any explanation of it. He has just changed his mind, that is all there is to it.

Mr. JONES of Washington. Mr. President—

Mr. McKELLAR. One of the objects of the debate was to have an interesting, open, free, and fair discussion, led by the Senator from Washington. The Senator from Utah [Mr. SMOOT], the Senator from Iowa [Mr. CUMMINS], and others on the other side of the Chamber made speeches at that time upholding the filibuster. Let me suggest here that some explanation is due why it is a high and splendid and patriotic service to filibuster against a shipping bill under those conditions, and yet it is wrong when it comes to a bill which changes the whole course of our merchant-marine policy, when it takes at least \$30,000,000 annually out of the pockets of the American people and gives it to the owners of a few fast passenger vessels which really do not need it, because they are doing a good business anyway. We want to know why the Senator from Washington has changed his mind and his attitude, and I know that he will take the time at the proper opportunity to tell us. I now yield to the Senator from Washington.

Mr. JONES of Washington. The Senator wants to know if I have any explanation about my change of mind. I do not understand what he means. I have not changed my mind.

Mr. McKELLAR. I think, perhaps, I did an injustice to the Senator. I do not believe the Senator has complained at all that Senators on this side of the Chamber or the other side of the Chamber have talked about the bill.

Mr. JONES of Washington. The Senator can not point to anything I have said at any time in criticism of the course Senators are taking.

Mr. McKELLAR. I thank the Senator for the correction. I think he is entirely right about it.

Mr. JONES of Washington. I assume that every Senator takes the course on this floor which he conscientiously believes to be right. I have followed that course, and I give every Senator credit for doing the same thing.

Mr. McKELLAR. I am quite sure the Senator from Washington feels just that way and believes just that way. I am glad to hear him say it. I want to say that since I have been in the Senate I have never known a fairer man, a more honest man, a more patriotic man, than the Senator from Washington.

Mr. HARRISON. Mr. President—

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Mississippi?

Mr. McKELLAR. I yield.

Mr. HARRISON. Of course, it may be that the reason why the Senator has said nothing is because he has not detected as yet that a filibuster is on.

Mr. JONES of Washington. Oh, I think I know a filibuster when I see it. [Laughter in the galleries.]

The PRESIDING OFFICER. The Chair must admonish the occupants of the galleries that manifestations of approval or disapproval are contrary to the rules of the Senate, and if persisted in the Chair will be compelled to order the galleries cleared.

Mr. McKELLAR. I hope the Chair will pardon the occupants of the gallery, because this is a dry matter we are discussing. Let us have a little humor in it occasionally.

While the Senator from Washington is correct in his statement that he has not changed and is not criticizing the filibuster, yet what a change there has been in the official organ of the administration, the Washington Post, giving the views of the administration first-hand. Let me read an editorial from the Washington Post of February 7, 1915:

"The Post is an opponent of Government ownership in all fields of action in which private enterprise and private capital can secure fair and reasonable returns upon such enterprise and capital by rendering efficient, honest, and faithful service to the people at fair and reasonable cost to them."

"But here is a field in which private capital has failed for 50 years to provide such service for the American people."

It now wants to turn all these ships over to private interests—ships that cost the American people three or four billion dollars. It changes its views and now thinks that we are going to abolish the Senate if we do not have a discussion of the matter.

I continue reading:

"Here is a field that American private capital has left open to foreigners for half a century, and now, when it is proposed that its own Government shall become the creator of such a marine, private capital enters a vigorous protest."

I next read from another editorial in the Washington Post. I want to call the especial attention of our Republican friends to this—that is, the three Republicans who are now present in the Chamber. The editorial reads:

A DANGEROUS PRECEDENT.

"If the majority of the Senate, solely because of its numerical strength, were to adopt a cloture rule to shut off debate on the shipping bill, a precedent would be established that would hamper the Democratic Party in all its future actions."

They were talking about a cloture rule then to stop the flight of oratory on the other side of the Chamber, and the Washington Post came out for discussion—open discussion, frank discussion, full discussion, unlimited discussion. The editorial went on to say:

"Apparently the proposal that a cloture amendment be added to the Senate rules on February 19 is made seriously. Perhaps it has been forgotten that the Democratic Party made much capital out of the Cannon rules in the House in the campaign of 1910, and later in the campaign of 1912."

"In all fairness, it must be admitted that there was a great deal of buncombe in the fight against the Cannon rules, as has been shown by the drastic rules brought in by the Democratic Party under the present régime. Nevertheless, the Democrats did make capital out of the supposed arbitrary character of the House rules and went on record in favor of more liberality."

"The advantages of maintaining a consistent record may not appeal to the party in power, but the mere fact that it is put to the necessity of proposing a cloture rule is likely to weaken support for the shipping bill. Something more than expediency is involved. Freedom of discussion has always been the principal instrument of good government, and that freedom is now assailed in the Senate."

Let me read that again:

"The advantages of maintaining a consistent record may not appeal to the party in power, but the mere fact that it is put to the necessity of proposing a cloture rule is likely to weaken support for the shipping bill. Something more than expediency is involved. Freedom of discussion has always been the principal instrument of good government, and that freedom is now assailed in the Senate."

That editorial was published on February 11, 1915.

That was on February 11, 1915. Eight years have gone by, and the same paper which then complained that freedom of speech and debate was about to be shut off in the United States Senate when it ought not to be shut off, when it would ruin the Senate if it were shut off, on yesterday came out with an editorial stating that unless the bill is brought to a vote the Senate is likely to destroy itself by not letting it come to a vote. Which are we going to believe? Are we going to take the advice of the Washington Post given eight years ago, or are we going to take the advice that it gives to-day? The two pieces of advice are diametrically opposed to each other. The Washington Post of 1915 is absolutely denied by the Washington Post of 1923. They said it was a dangerous precedent then. They attempt to frighten us to-day by saying that if the very thing which they then defended is continued by the Senate it will destroy the Senate and defeat the various Members who are following the advice which it gave in 1915.

I read further:

"Proponents of the cloture program should not lose sight of the fact that the Senate of the United States, which had been assailed as a superfluous legislative Chamber a few years ago, has lately been restored completely to popular control. Comment is frequently made that every piece of legislation that has been sent to the Senate in recent years has been materially improved."

Oh, what a splendid thing a filibuster was then in the eyes of the Post, the official organ of the present administration, and what a bad thing it is to-day when there is a piece of legislation before us that the Post and the Executive desire to jam through by the votes of men who have been defeated for reelection. Then a Republican filibuster would restore the Senate to popular confidence. Now a Democratic filibuster on a like bill will destroy the Senate in the popular mind. Consistency, thou art indeed a jewel. Ah, we know that it is true that discussion in this body and careful deliberation in this body has improved the legislation which has been before the Congress, just as the Post then so well stated.

I continue to read:

"Bills passed by the House in two or three days, important bills like the tariff, currency, and antitrust measures, have been debated intelligently in the Senate, with a view to the best interests of the Nation. Can anyone argue that the discussion on these measures was not useful? Senators who now want to cut off debate would have protested vigorously if their own right to discuss measures had been taken from them."

"It is doubtful whether even the advocates of the ship purchase bill will vote for cloture. It would mean the end of free discussion in the Senate for all time. It would tend to destroy the Senate as a useful legislative body."

Mr. President, I put in juxtaposition, if I may so express it, with the expression of the Post to-day that last sentence, indicating its attitude in 1915:

"It would mean the end of free discussion in the Senate for all time. It would tend to destroy the Senate as a useful legislative body."

When it was advocating a filibuster in 1915, when it was defending filibusterers in 1915, that is what the Washington Post had to say—that the Senate was going to destroy itself as a legislative body if the filibuster did not go on—but, eight years afterwards, when it has another ax to grind, when it wants to have passed this bill which has been repudiated by the people, when it wants to have passed this bill by the strength of numbers of men who will not be here after March 4, this year, this is what it has to say:

"Superficially, it appears most difficult for the people to reform the Senate, because constitutional amendments must be passed upon by the Senate itself. Actually, however, nothing is easier than the reformation of the Senate by the people, once

they are aroused and determined to put an end to the abuse that is making the Senate unpopular. Let the Senate make itself unpopular enough by failing to perform its duty, and the people will do the rest. They will not resort to a constitutional amendment, but will act directly, by eliminating the unfit and electing men pledged beforehand to reform the Senate rules. Every filibuster, successful or unsuccessful, hastens the day when the reform of the Senate will be a burning issue."

Oh, yes, when it was in favor of a filibuster the statement was made that the Senate was going to destroy itself by interfering with free discussion, but to-day, when it is against a filibuster, the Washington Post, with equal or greater emphasis, says that the Senate is going to destroy itself because it permits free speech!

Mr. President, that was not all. The official organ of the Republican Party in Washington did not stop at that. I now come to the most pleasing part of my task. It is reading the editorial indorsing the distinguished Senator from Washington [Mr. JONES] for conducting the filibuster in 1915. I read an editorial from the Washington Post of date February 14, 1915, which is entitled "The amen corner":

"When Senator JONES, in the course of his 14-hour speech on the shipping bill, announced that his observations were directed primarily to the 'amen corners' of the country, he not only chose a felicitous title, but also indulged in a degree of candor not always expressed by statesmen, who, whatever their avowed disinterestedness, never fail to have those particular gatherings in mind."

Politically speaking, the amen corner has long been known. Its most famous example was found in an earlier storm period, when there was a custom to congregate around the late Thomas C. Platt a group of tried and true followers in a particular corner of a room in the old Fifth Avenue Hotel in New York City. When that rendezvous had mustered a quorum things followed as pertinently and effectively as any that have later emanated from modern conclaves, regarding which the question as to whether they constitute a "conference" or a "secret caucus" still forms the subject matter of earnest and sometimes heated debate.

"The original amen corner belongs, no doubt, to the country meetin' houses of a gone and better era. Yet the spirit has in no wise changed. In religion then, as in politics now, the words of the speakers, whether presidin' elder or newly licensed 'exhorter,' were spoken with a thought to the reception they would be granted at that tribunal of last resort. Were the delivery followed by a solemn silence in that quarter, the exponent of the message properly felt the occasion a failure. Evidences of animation, however, betokened promise of success and led to more vigorous efforts. And when the heights were reached and fervid pulpit oratory brought forth the sonorous and spontaneous 'amen,' then the speaker and the audience knew that the truth had gone home, nor needed to await the later pronouncement that the sermon was 'sarchin', powerful 'sarchin'."

"The land is filled with amen corners. Around the blacksmiths' shops, down at the grocery store, in back rooms where sawdust sprinkles the floor, in the neighborhood of the 'count-house,' out at the old sawmill, where groups gather on 'stock-sale day,' there still linger the amen corners, listening, analyzing, reflecting. For their delectation, in expectation of their approval, Senators speak, filibusters are carried on, even wars are fought. And until they are heard from the last word on any subject remains to be said."

Mr. President, that statement is very appropriate to the present situation, except that the people from the "amen corners" have already spoken. They were asked their views last November. Advocates of ship subsidy went on every stump in every "amen corner" in the land. They went, as the editorial states, to the blacksmith shops, to the back rooms of stores, to the cross-road meetings, to the "amen corners," throughout the United States. The people spoke from those "amen corners," and with one accord they spoke against the ship subsidy bill. That bill was an issue in every State in the Union, perhaps, where there was a senatorial election, and in every instance the advocates of ship subsidy were repudiated by almost unprecedented majorities. Yet in face of the record, in face of the votes from the "amen corners," throughout the Nation and in every State, the President comes before us and in substance says, "Yes; I know the bill has been repudiated by the people. I know that we can not pass it when the representatives who were elected last November take their seats in Congress, but I want the old Congress to pass it." Let me ask some Senator exactly the ratio of Republicans to Democrats in the present House of Representatives.

Mr. HARRISON. The Republicans have a majority of about 160.

Mr. McKELLAR. The Senator from Mississippi informs me that the present Republican majority in the House is about 160. That is an overwhelming majority, the greatest majority the Republican Party ever had in that body.

Mr. HARRISON. And the greatest majority they ever will have.

Mr. McKELLAR. Yes; the greatest majority they ever will have. Yet under the whip and spur of the Executive, answering his prayer, delivered in person, I believe twice, to pass it, a majority of only 24 in the House of Representatives voted for the bill, and here on this floor we all know that there will be no effort to pass this discredited measure in the new Congress.

Mr. SHEPPARD. Mr. President, I have the exact figures here.

The PRESIDING OFFICER (Mr. Moses in the chair). Does the Senator from Tennessee yield to the Senator from Texas?

Mr. McKELLAR. I yield to the Senator from Texas.

Mr. SHEPPARD. The composition of the present House is Republicans 298, Democrats 130, Socialist 1, vacancies 6; so that the majority at present is 167.

Mr. McKELLAR. It is 167, and still there could not be found but a paltry majority of 24 to pass the shipping bill; and, by the way, my recollection is that of those constituting the number who voted for the bill, sixty-odd of them were defeated in the very election in which this great question was submitted to the people; but they were forced in one way or another, through Executive influence, direct or implied, to vote for a measure in which they did not believe. We all know that the great majority of the present House of Representatives, Republican as it is, are overwhelmingly opposed to the passage of this bill and only voted for it because they were asked to do so by the Executive.

So it is in the Senate. In this body there is a Republican majority of 22; but if the recorded judgment of every Senator could be had, just as it is in his heart, the pending bill would be overwhelmingly defeated, for there are few Senators here who are heart and soul in favor of the bill. Under those circumstances such a bill ought not to be foisted upon the American people, for the reason that a majority of the present representatives of the people are at heart opposed to it, and the people have spoken and spoken against it in no uncertain terms.

But, Mr. President, I had not finished my quotation from this great newspaper, one which I read every morning, whether I agree with it or not, because it gives the news; it has able and distinguished writers on its staff, both editorial and reportorial, who write with spirit and ability and whose articles it is a pleasure to read, whether one agrees with them or not. I have no desire to say anything to the discredit of that newspaper or its representatives in any way, but quite to the contrary. It is, I repeat, a great newspaper, and because it is a great newspaper and because it is the official organ of the administration, I am using the material which its files afford. I now wish to read an editorial published in the Washington Post on February 18, 1915, entitled "The steam roller." Mr. President, I will digress here long enough to ask unanimous consent that all of the quotations from newspapers and books which I have read may be printed in the RECORD in 8-point type, which is very much easier to read than the smaller type. I have reached that point in life where I can read matter printed in 8-point type a great deal better than in the smaller type.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. McKELLAR. The editorial in the Washington Post on February 18, 1915, entitled "The steam roller," reads as follows:

"The manner in which the steam roller was used in the House for the passage of the ship purchase bill simply illustrates how power can be used without efficiency.

"Once there was an outcry in the House against what was called 'Cannonism.' It was argued that the Speaker had too much power. He could use this power, it is true, to keep down appropriations, but he could also use it to give preference to administration measures.

"The rules were changed to take such power away from the Speaker. Probably the principal result of this action has been in the way of unprecedented extravagance. Chairmen of committees not being responsible to the Speaker but owing their election to their popularity with the other Members of the House, have sought to increase their popularity by being liberal with appropriations.

"Whatever there was of evil in the old rules has returned with redoubled power. The Speaker of the House can not be held responsible for the 'gag' rule adopted by the House for

the quick passage of the ship purchase bill. A measure which is unlike anything that has been previously discussed, and whose virtues and defects are virtually unknown, was rushed through to passage with scarcely any debate."

What an accurate description of the manner in which the pending ship subsidy bill was jammed through the House a short time ago, when it only got through by the extraordinarily narrow margin of 24 votes, and of the manner in which it is proposed to jam it through this House.

"If the sole effect of the change in rules is to transfer arbitrary power from the Speaker of the House, elected by the Members, to the administration, whose functions are not supposed to be legislative, wherein lies the improvement? The new authority can not restrict appropriations as the Speaker formerly did. It need not even hold itself responsible for any blunder the House may commit under its direction. Freedom of discussion has always been one of the greatest instruments for the making of honest and intelligent legislation. This was the very basis of the attack made on the old rules, all the evils of which and none of the overbalancing virtues of which are now restored.

"Moreover, under the old rules there was always the consciousness that the Senate would give more careful consideration to measures put through under a special rule; but now with debate eliminated almost entirely in the House the Senate calmly contemplates the removal of the final safeguard of representative government by adopting a cloture rule."

Ah, Mr. President, what a change has come over the administration and what a change has come over this organ of the administration. Then when a Republican filibuster was on, if we interfered with the freedom of debate it meant, according to the Post, "the removal of the final safeguard of representative government," but now, when we ask for freedom of debate, when we ask that this vicious measure be discussed in the light of reason before the American public, we are told that the Senate is likely to destroy itself because we demand the very freedom of discussion that the Post so eloquently declared was right on February 18, 1915.

Again, here is what it said on February 27, 1915, under the heading "Reviving the shipping bill":

"Attempts to revive the ship purchase bill in view of the failure of previous determined efforts to pass it can not be regarded in any other light than as a despairing effort to demonstrate the power of personal leadership.

"The ship purchase bill met a natural death. The act came, not as the result of a wound inflicted in the house of its friends, not as a result of the blows rained upon it by its enemies, but solely as a result of the failure of public opinion to rally to its support."

How accurate is that statement of the present measure! This bill is not going to be filibustered to death. This bill is not going to be talked to death. This bill is not going to be voted to death. This bill is already dead, because an outraged public opinion in America has decreed it so. We know that the people have already passed upon it, and that is why it is in the position that it is to-day.

I read:

"Talking the shipping bill to its natural death would not have been possible if there had been any real public sentiment in its favor."

And so we know that that is true to-day. If there were any real public sentiment in favor of this bill in America to-day it could not be talked to death, it could not be filibustered to death, nor could it be voted to death. We know that. Why attempt to fool ourselves? Why attempt to make ourselves believe something that our inner consciousness knows has already been settled and determined, and settled by the voice of the American people themselves? It was settled last November. It can not be undone by this Congress in its closing days. We know that it is impossible.

The Post spoke the truth then, and I commend this editorial to my friends on the other side.

I continue reading:

"There was no such fight against the administration currency bill, or even against the tariff bill, both of which the Democrats were pledged to enact. There was serious complaint against the kind of bills that were enacted, but it was realized that the Democratic Party had to make some sort of revision to comply with its platform.

"There was no such justification," however, for the ship purchase bill. No one knew where the proposal came from originally."

I stop here long enough to ask the chairman of the committee where this proposal came from originally. I looked over the chairman's splendid speech 15 years ago. I have read other

speeches of his on our merchant marine. He has been a consistent, ardent advocate of an American merchant marine, just as I have been. Heretofore he has never believed in cash subsidy, and I am wondering whether or not this bill originated in the mind of my distinguished friend. I know he introduced it, but I am wondering whether he put it forward as his measure for the correction of evils that he thought existed in regard to our merchant marine.

Mr. JONES of Washington. Mr. President—

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Washington?

Mr. McKELLAR. I yield.

Mr. JONES of Washington. I shall be very glad to answer the Senator's question if he desires. I stated in my opening speech on this bill the origin of the bill. I can state it briefly again, if the Senator wishes.

Mr. McKELLAR. I shall be very glad to yield to the Senator for that purpose, because I overlooked that portion of his speech.

Mr. JONES of Washington. After the administration got in I think everybody recognized the situation that confronted us with reference to the shipping that we had bought during the war. After the Shipping Board was appointed and had gotten to work and gotten things in shape, and it was found that certain provisions of the act of 1920 would not be carried out, the board felt that some steps should be taken to meet the situation that confronted us with reference to our shipping, it being the desire and the expressed purpose of the act of 1920 that our ships should be gotten into private hands as soon as possible under ordinary good business methods, it being the policy, as declared in the act of 1920, that we did not intend to carry on permanent Government ownership and operation of these ships. So the Shipping Board began to study the question, and finally, my recollection is, they appointed a committee composed of representatives of business men, representatives of the shipping interests, representatives of financial interests, representatives of labor interests, and representatives of the farming interests, to study the problem and see if they could work out legislation under which we would build up an American merchant marine.

I met that committee at some of its hearings as chairman of the Commerce Committee, and representatives of the House committee also met with them, and we discussed there, you might say, general principles, general policies. Finally, the Shipping Board, in conference with these representatives, worked out this plan, and I understand that a resolution was passed by the Shipping Board unanimously, Democrats and Republicans approving this proposition—that is, approving the general policies and general principles that were to be incorporated in the bill—and then these policies and principles were put into the hands of experts, and the bill was drafted in the Shipping Board.

I will say also that it was submitted to a conference of the Republican members of the Commerce Committee and the Merchant Marine Committee of the House, and the general principles and policies were discussed, some suggestions were eliminated, some other suggestions were adopted, and then the bill was drafted in the Shipping Board and presented to Congress.

That is a brief outline of the drafting of the bill.

Mr. McKELLAR. I am greatly obliged to the Senator. Now may I ask him if the cash subsidy was suggested by him?

Mr. JONES of Washington. Oh, no; it was not suggested by me.

Mr. McKELLAR. I felt quite sure that was the case.

Mr. JONES of Washington. But I have stated several times that I have reached the point where I will support any proposition that gives a reasonable promise of developing and maintaining a permanent American merchant marine, because I consider it of such tremendous importance to the people; and as I had no hope of enforcing the provisions of the act of 1920, which I believed in and still believe in, so far as that is concerned, I was willing to accept this as the conclusion of these experts and of these experienced men as the only other proposal that offered any hope of accomplishing what I so much desired. So I accepted it as an alternative, and I say frankly that is the ground upon which I support it now.

Mr. McKELLAR. Then it is not a proposal of the Senator from Washington, the chairman of the committee, but it is a proposal of the best minds in the Shipping Board and in the shipping interests generally and in financial circles?

Mr. JONES of Washington. And the labor interests were represented, too, as they are represented on the board.

Mr. McKELLAR. And also a representative of the labor interests?

Mr. JONES of Washington. Of course, frankly—

Mr. McKELLAR. The Senator is always frank.

Mr. JONES of Washington. I should say that the representatives of the American Federation of Labor appeared before the joint committee and opposed it; but, as the Senator knows, one of the members of the Shipping Board is a representative of labor. I forget now; I think he is a representative of the Longshoremen's Union.

Mr. McKELLAR. Yes; I recall that.

Mr. JONES of Washington. But a very prominent labor leader and labor representatives were on this committee to which I have referred.

Mr. McKELLAR. Were there any other labor representatives there except the representative on the Shipping Board?

Mr. JONES of Washington. I understand so. I think so; but I could not name them now.

Mr. McKELLAR. As I understand the Senator, his proposal in 1920 of a differential on goods coming in in American ships was a proposal that he thought exceedingly wise if it had been put into practice.

Mr. JONES of Washington. Yes, sir.

Mr. McKELLAR. And that—to use a slang expression—it would have “turned the trick” if it had not been vetoed by the President; first by President Wilson and afterwards by President Harding.

Mr. JONES of Washington. I think so.

Mr. McKELLAR. As the Senator knows, in the substitute bill which I have offered I have proposed exactly the same thing in substance. I want to say to the Senator and to the Senate that an American merchant marine has been a hobby of mine for many, many years. Long before I came to either branch of Congress I made speeches on the subject. I have always been in favor of it. There is no man in this Chamber or elsewhere who is more in favor of building up a merchant marine than I am, and I want to say to the Senator that a great many of the provisions of his bill meet my entire approval. I am inclined to think I would vote for them all if the cash-subsidy provision could be taken out, as I shall explain in a few moments. The reason why I stopped and asked the Senator the question I did about his own views on the merchant marine was that I did not believe that the idea of a cash subsidy originated with the Senator. I felt that it came from other sources, just as the Senator has said, and I am glad to know that it is not his proposal. I want to say to him that it would be a great deal harder for me to vote against it if I knew that it was what the Senator himself proposed originally as a cure for the situation that now confronts our merchant marine, and that is why I stopped to ask that question of the Senator.

I want to finish this editorial. It is short. I must hurry on, for I have a great deal more to say. I have taken up more time now than I ought to have taken. I should welcome the withdrawal of the bill at any time, so that we may not take up more time.

The Post continued, in this editorial of February 27:

“There was no such justification, however, for the ship purchase bill. No one knew where the proposal came from originally. They knew that the President sponsored it, and it proved that his influence was sufficient to rush it through the House under high speed toward the close of the session. But it was indicated at that time that action by the House would be considered sufficient vindication for the principal backer of the measure.

“It is idle for the administration to think that the bill can be pushed through the Senate at this late day in view of the demonstration of the opposition. The word that comes from the White House to make a last attempt can hardly be complied with, even by the most devoted followers of the administration.

“Reports that legislative ‘strong arm’ methods will be used to obtain a final vote need not be taken seriously. There is not only a strong minority to protest, but there is an actual majority against the bill as it stands. Any further efforts in the measure's behalf will simply demonstrate the weakness of its support.”

Mr. CARAWAY. Mr. President—

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Arkansas?

Mr. McKELLAR. I yield; yes.

Mr. CARAWAY. Was that this bill that they were talking about?

Mr. McKELLAR. Why, no; it was not this bill. That was an editorial when the Post was on the other side of the question. They said that no bill brought in at this late date, just about this time in the session, could be pushed through.

Mr. CARAWAY. The Senator astonishes me. Has the Post been on two sides of a question?

Mr. McKELLAR. Quite so. I have attempted to demonstrate that that is so from the official organ of the administration.

Mr. CARAWAY. I am honestly pained.

Mr. McKELLAR. I am sure that the Senator is as I am.

Mr. President, I have had handed to me an editorial from the World which I have not read with care; I have just glanced over it, but it is on this very subject. If it says any harsh things I am not going to subscribe to them, because I am not going to say anything harsh about anybody to-day.

Mr. HARRISON. Mr. President—

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Mississippi?

Mr. McKELLAR. I yield.

Mr. HARRISON. May I ask the Senator whether that is the editorial in this morning's World?

Mr. McKELLAR. It is.

Mr. HARRISON. That does not accuse the distinguished Senator from Washington [Mr. JONES] of filibustering against the ship subsidy bill, does it?

Mr. McKELLAR. I have not read it with care, but I will read it now to the Senate and let the Senator form his own conclusions. It does not say that the Senator from Washington is engaged in a filibuster, though it did look yesterday and this morning a little as if there was some help from his side of the Chamber, but it does call the filibuster by a different name. It calls it "Mr. Harding's filibuster." That is the title of the editorial.

"Mr. Harding alone is responsible for the Senate filibuster and for all the legislative consequences of it. The blame rests wholly with the President, because the President is trying to nullify the verdict of a national election.

"Mr. Harding is determined that a great question of public policy shall be settled by a discredited Congress. He insists that Senators and Representatives who have been defeated by their constituents shall have the deciding voice in controlling Treasury expenditures over a period of 15 years. Going over the heads of the voters, he has appealed to the sheer brute power of party organization plus the patronage that the Executive can use to reward his followers. No more shocking spectacle of downright political immorality has ever been seen in Washington than that which is now presented under the auspices of the President of the United States.

"Like most weak men, Mr. Harding is capable of extreme exhibitions of sheer obstinacy. For reasons that are not clear either to the Republican leaders in Congress or to members of his Cabinet, he has set his heart on a particular piece of ship subsidy legislation to the exclusion of everything else. There is no popular sentiment in support of this bill. For nearly a year eminent Republicans in Congress have been telling him that the country was against it, and the elections last fall confirmed everything they said to him. Nothing, however, has changed the President's personal opinion. Hypnotized by Lasker and Laskerism, he has given himself over to this reckless raid on the Treasury.

"Knowing that he can never obtain his subsidy legislation from the Congress that was elected in November, he is using all his influence to obtain it from the Congress that was repudiated in November. By the votes of 66 defeated Representatives he managed to get it through the House with a majority of only 24. He has now mobilized the defeated Republican Senators, and with plenty of Federal jobs to reward them he thinks that he can get it through the Senate before March 4 if he can bring it to a vote.

"There have been times when a filibuster was a denial of the principle of representative government, but this is a case in which it is a vindication of that principle. The Senators who are blocking a vote in the Senate are the exponents of majority rule. They are fighting for the rights of a newly elected Congress to represent the people of the United States on an important issue of public policy.

"This is no ordinary piece of legislation. It is not a bill that carries an appropriation for a single year, which the next Congress could discontinue; nor is it an act that the next Congress would feel free to repeal if it saw fit. Mr. Harding is trying to establish by law a legal obligation on the part of the United States Government to pay out hundreds of millions of dollars to private interests over a period of 15 years. He is trying to enact a contract. He is trying to tie the hands of eight succeeding Congresses and four succeeding administrations.

"That is something that no President should be permitted to do without a mandate from the people themselves. It is something that no President has a moral or a political right to undertake except in consequence of a definite party pledge

which has been ratified at the polls. Mr. Harding is asking a verdict from a packed jury before whose eyes he is dangling the emoluments of Federal office, and a filibuster is the only answer to the methods that the President has adopted."

Mr. President, the President of the United States made a mistake in endeavoring to jam through this legislation at the short session of Congress. It is legislation that ought to be given most careful consideration. It ought to be debated. Senators should stay in their places in the Chamber and consider the measure before they vote. I look over at the other side of the Chamber, and there are now three Republican Senators there; and yet when Senators come in to vote many of them will vote without having examined the bill and without having even read it or even thought about it. I wonder how many Republican Senators have read it at all? I wonder how many have considered it? I wonder how many of them have spoken on it? So far as I recall, only two or three Republican Senators, maybe only one, have spoken in the debate on the ship subsidy bill. If it is a good measure, why are they not willing to come out and fight for it? If it is a good measure, why are they not willing to submit it to any body of men? If it is a good measure, why are they not willing to submit it to a Congress that was elected on that issue?

Oh, Mr. President, Senators on the other side of the Chamber are taking it like a child takes a dose of castor oil. They are holding their noses while they take it. They do not want to vote for it, but most of them could not be pleased better than by getting it out of the way in some manner. They have not examined it, because they are not interested in it. They do not believe in it. Any Senator who believes in a measure and who thinks it is for the best interests of his country and his constituents is delighted to get up and speak for it. If it is a measure that is helpful for the best interests of the Republic, instead of having empty benches on the other side of the Chamber we would find Republican Senators vying with each other to get recognition from the Chair in order to speak for it. They know it has been discredited. They know that the people have repudiated it. They know it ought not to be enacted into law.

THE BILL AND MY SUBSTITUTE.

Now, Mr. President, I next come to a consideration of the bill itself. As I said a little while ago, no person in the United States would more earnestly, more heartily, more sincerely be in favor of building up a great American merchant marine than I. I would go to any reasonable length to get it. I would go to any reasonable length to make our present merchant marine a success. If I honestly and sincerely thought that the way to build up the American merchant marine was to vote for a subsidy for it, I would even vote for the subsidy. But I do not believe that. I believe that the surest, the best, the most perfect way to destroy an American merchant marine is to pass the provision contained in this bill providing for a cash subsidy. Believing that, I would be dishonest if I voted for it. I would be dishonest if I did not use every honorable effort within my power to defeat it.

What is the proposed subsidy bill? Speaking briefly, the purpose of the proposed bill, first, is that it desires to take the Government out of the shipping business at the earliest possible moment by causing the Shipping Board to sell and dispose of our immense merchant marine fleet amounting to some 10,000,000 tons, the second largest in the world, largely now idle—no business for it; shipping lower than it has ever been in history—practically nothing in the way of demand. And yet at this time, with shipping at a lower ebb than it has ever been in the history of the world, with this immense merchant marine fleet that we have, it is deliberately proposed by the proponents of this bill to sell our vessels and get them into the hands of anybody, just so the Government can get rid of them. Sell them if we can, but give them away if necessary. That is virtually what is meant by the bill.

The bill next proposes to have the Shipping Board dismantle something like one-half of our American merchant marine, of the poorer ships; and the purpose of that is to dismantle the poorer ships. I suppose they mean to destroy when they say "dismantle," to sell as junk or sink if necessary. But why? Because they are not good cargo ships? Because they are not as excellent ships as there are on the seas? No; the reason for it is, as stated by Mr. Lasker in the hearings, that he wants to get rid of one half of the tonnage so that the other half which he puts in the hands of those who purchase it may not have the competition that the poorer ships will cause. We are to sell about half of them at a nominal price to private owners and then sink the rest of them, so the others may not be sold in the future and come in competition with those which are sold now.

I wonder what the American people would think if it should be brought to them that here, after years of trial, after years of trouble, after this enormous expense, it is deliberately proposed in the bill to sink one half of our tonnage in order that the other half may make more money in the hands of private owners. Yet that is what the bill proposes to do. Can it be said that any sane, reasonable man, not spurred on by the executive whip, is going to vote for that? That is one of the reasons why there is so little interest taken in the shipping bill by Senators on the other side of the Chamber. It does not meet their approval any more than it meets our approval, if the truth were known.

Next, it is proposed to give subsidies largely to fast ships, passenger ships, while the amounts paid to the freighters will be inconsequential. We all know that the lines between the United States and Germany and England are for the most part highly profitable lines. No other government gives a subsidy to its passenger lines between those points. Yet if this bill passes the principal beneficiary of the bounty or subsidy will be the two lines already established, the great passenger-ship lines now making money, certainly not losing any, running between New York and London and between New York and Bremen. The Bremen line, as I understand, made \$700,000 last year under Government control, or quasi Government control, and the other line, by reason of the fact that it can get no cargoes on the return trip from Great Britain, lost about the same amount. But this is the worst year shipping has ever had. No one believes that the present condition is going to continue. It is not going to continue. It is going to get better.

Mr. DIAL. Mr. President—

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from North Carolina?

Mr. McKELLAR. I yield.

Mr. DIAL. If we are going to give subsidies at all, would it not be better to give them to the freight lines?

Mr. McKELLAR. Of course, the Senator is right. The idea of building up a merchant marine by giving subsidies to the ship lines that need no subsidies and withholding them from the freighters is absolutely without merit in my judgment. Even if I believed in a subsidy I would not believe in giving it to the great passenger lines, these great floating palaces which afford rich people every accommodation at tremendous fares for taking them across the ocean. I do not believe those are the lines that ought to have subsidies, even if I believed in a subsidy at all, which I do not. But if we are to vote any subsidies, if a subsidy is to be paid, if the bill should be passed over my protest and the protest of others who do not believe in it, surely the subsidy should be given to the freight lines that would bring business to the American people and give us trade and commerce with all the world.

Mr. DIAL. As I understand the bill, there are not many of the freight ships that would receive a subsidy under it, not many of the ships owned by the Government.

Mr. McKELLAR. I think some of them would receive something like \$10,000, which would mean nothing.

Mr. DIAL. A great number would receive practically nothing.

Mr. McKELLAR. Just a little gift, lagniappe, so to speak, as I think, they call it down in Louisiana. It would not amount to anything. It is not enough to build up any freight lines.

Mr. DIAL. It would not even help to sell the ships.

Mr. McKELLAR. No; it would not help to sell the ships. We can not sell the ships at this time under any circumstances. The markets of the world are clogged with ships at this time. It is not a good time to sell our ships.

I understand that 65 per cent of the Italian ships are idle to-day and tied up; that 25 per cent of Great Britain's ships are idle to-day and tied up, and various percentages in all countries, running from 25 in Great Britain to 65 in Italy, are tied up. They are tied up all over the world for lack of business. To select a year like this for the sale of 10,000,000 tons of shipping is, to my mind, without any merit whatsoever. It is not a time to sell our ships. I doubt if we could give them away to-day. I doubt if we could sell them with double the subsidy.

I come now to the next thing in the bill itself. In the fourth place, it provides in substance that all of the people shall be taxed to pay a few shipping interests sufficient subsidies to keep their lines going. I think I am hardly accurate about that. I think the two great passenger lines which would get a large part of the subsidy do not need any subsidy to keep them going, but they will get it just the same. They will be the beneficiaries of it.

The great passenger lines that make money now will be the principal beneficiaries of the subsidy. Why should we tax all the American people—tax the farmers, the merchants, the lawyers, the doctors, and the rest of the American people—to pay

the owners of these great lines running between New York and London and between New York and Bremen this enormous subsidy? Mr. President, others may take such course as they desire, but I am not going to give my consent to spending of the people's money for any such purpose.

The bill next proposes to devote practically all the proceeds from the sale of our entire merchant marine to constitute a revolving fund to be loaned to favored shipping interests at a very low rate of interest in order to build more ships in the future. If the bill passes, the American Government will never see another dollar of the enormous amount that is now invested in the American merchant marine. I doubt very much whether the fleet that cost the American Government over \$3,000,000,000 could be sold for enough to create the \$125,000,000 revolving fund that is to be loaned to the shipping interests in the future, as provided in the bill, after all expenses are paid. I doubt it very seriously. I would not be at all surprised, when it comes to a show-down, that after selling the ships, if we establish the revolving fund, we will have to make additions to it through appropriations by taxation upon the American people. Is there any excuse for it? It is absolutely inexcusable.

I next come to some of the vices in the bill. I think the chief vice in the bill is the cash subsidy. Why should we tax a portion of the American people for the benefit of the favored few? What justification can we find for it? What reason can be given for it? In my judgment it is bad in principle and worse in policy, because it will not do what is claimed for it.

I next call attention to the fact that this of all times is not the time to sell ships. The idea of dismantling, as the chairman of the Shipping Board suggests, one-half of the tonnage at this time is wrong. It is said that the ships are not exactly what they ought to be. They do not exactly suit the trade. Besides, if the Government sells half and keeps half, it might sell the other half to other shipowners in the future when the shipping business would get better and take away the profits that the favored few would otherwise receive. Is not that a remarkable proposition? I hope Senators who happen to be listening to me will get the full force of it. Here we have 10,000,000 tons of shipping, depending on how we count them, whether dead-weight tons or other tons. The Shipping Board proposes to sell one half of it and dismantle the other half. The fleet cost this Government over \$3,000,000,000, and yet they are going to dismantle one-half so that we might now have too many ships for the favored interests to whom we are going to give the subsidy. Is that the principle? Any Senator who wants to uphold that proposition of course is at liberty to do so, but as for me I shall not vote for any such bill.

Mr. President, I next come to some of the good provisions in the bill, for it is not wholly bad. There are some good provisions in it. The provision providing cheaper insurance is a good one. British ships are insured at a slightly less rate than American rates. The American Government ought to see to it that we are put upon equality with Great Britain in the matter of insurance. A bill has already been passed along that line.

This bill contains provisions proposing to amend the present marine insurance law. I think those are excellent provisions; they are in the future interest of our shipping; I not only have no objection to them, but I think they ought to be enacted into law; and I have no doubt they will be enacted into law.

The next provision proposes that 50 per cent of immigrants coming to this country shall be brought here in American ships. That is a splendid provision. It might be made much better by providing that 100 per cent of the immigrants who come here from abroad, who come here as a privilege which is given to them by us, should be brought in American vessels. They ought to be examined before they reach here; and they ought to be brought here entirely in American vessels. Instead of 50 per cent of them being so brought, I should be in favor of bringing in American vessels all of the immigrants who come into this country. It would give our ships business to which our ships are entitled.

There are other reasons why immigrants ought to be brought here in American ships. Our officers and agents should examine them before they come to this country. As we all know, foreign ships now bring immigrants to Ellis Island in great numbers; great numbers are frequently turned back, and the American Government has to pay the foreign ships for taking them back. Why are they sent back? Because they have not been properly examined before they arrive here. Mr. President, why would it not be good business, and why would it not be a protection to the American people to have these examinations made by our own officers and agents before the

immigrants leave the shores of Europe? We would save millions of dollars a year by pursuing that policy. By the way, it is estimated that if one-half of the immigrants who come to this country each year even under the present law were brought in our ships they would yield a revenue to them of something like \$8,000,000. There is no reason why that can not be done.

I am very much in favor of that, because it would be giving not a subsidy to our shipping interests but it would be giving passengers to our ships, furnishing them with business. Our ships do not need, the ships of no nation need, subsidies. What they need is passengers and cargoes. Any ship that has passengers and cargoes does not need a bounty from the Government in order to run.

I will give an illustration of that. A large fleet of ships is owned by the Standard Oil Co., another large fleet of ships is owned by the United Fruit Co., another large fleet of American ships is owned by the United States Steel Co. Those ships do not need a subsidy, for they have business; they carry cargoes and they are making money. The only way we are ever going to build up a merchant marine is, so far as we can by law and by custom, to give our ships passengers and cargoes, to give them business. When we give them business, give them passengers and cargoes, they will need no cash subsidy from the Government. The granting of subsidies is wrong in principle and wrong in policy.

So I say, Mr. President, that this provision of the bill in reference to 50 per cent of immigrants coming to America being brought in American vessels, even though it does not go so far as I think it ought to go—for instead of providing that 50 per cent of those immigrants should be brought here in American ships the provision should be that all immigrants who come to this country should be brought in American vessels—is a good provision. We have a perfect right so to provide. It would not be a discrimination against foreign nations to have such a provision in our law, and I heartily join the Senator from Washington in the proposal which is contained in the pending bill.

I next come, Mr. President, to the provision of the bill which takes over the Army transport service. Of course that service ought to be under the Shipping Board. Such a transfer will mean additional cargoes for our ships; it will help build up business for the American merchant marine. That is a good provision, and I am heartily in favor of it. I am for any provision in the bill which will give to our merchant marine more business, more cargoes. Such provisions ought to be adopted. They ought not, however, to be connected with provisions of the bill for cash bounties and subsidies to a favored few.

I next come to the provision of the bill in reference to coordination between rail and water transportation. Of course that should be enacted. There is but one objection to it, and that is it is not strong enough. We ought to see to it that our railroads, instead of making contracts with foreign shipowners to transport across the water in foreign vessels freights which are carried to our seaboard, shall make contracts with American shipowners to carry those cargoes, when they are delivered at the seaboard, in American bottoms. That, of course, is a good provision. I am afraid that the proposed provision in the bill is not a workable one, but it ought to be made workable. We ought to make our shipping companies and our railroad transportation companies coordinate; we ought to make each of them useful to the other. We ought to see to it that our railroads are not permitted to make contracts with foreign shipowners for the carriage of freight across the ocean in foreign vessels to the detriment of American shipping. I am sorry the Senator from Washington has not made that provision stronger, but I indorse it so far as it goes.

Mr. JONES of Washington. Mr. President—

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Washington?

Mr. McKELLAR. I yield with pleasure.

Mr. JONES of Washington. Mr. President, I think I may say that if there is any provision in the pending bill which originated with me it is the provision with reference to the coordination of rail and water transportation.

Mr. McKELLAR. I wish to congratulate the Senator.

Mr. JONES of Washington. I will say to the Senator from Tennessee that the provision does not go nearly so far as I desired that it should go.

Mr. McKELLAR. I again congratulate the Senator.

Mr. JONES of Washington. I am glad to hear the Senator say that he is in favor of bringing about and enforcing, if possible, coordination between the railroads and the water lines; and I hope that we shall be able to amend the bill

so that when it is passed it will have a stronger provision in it along that line. We ought to compel coordination between the railroads and the shipping lines.

I am not going to state here why the provision is not stronger; I may do so before we get through; but I will be glad to state to the Senator himself why it is not stronger. It is not the fault of the Shipping Board, however; I will say that much.

Mr. McKELLAR. I feel sure that there is no disagreement between the Senator from Washington and myself on that subject. Knowing the Senator as I do, and knowing what a great friend he is of the merchant marine of the United States, I know that if it were left to him to determine the kind of a bill that would most effectively build up and maintain the American merchant marine he would be for making that policy stronger. We would find him working for it at all times under any administration; and he would not be for the cash subsidy now if it had not been inflicted upon him by outsiders.

Mr. President, the Senator says that, so far as we may be able to do so, we ought to make the railroad carriers and the ocean carriers coordinate. We have absolute authority under the Constitution to do that; there can not be any question of the power of Congress over foreign and domestic commerce, and I have no doubt that all it is necessary to do is for a workable plan to be submitted to Congress, and then this matter can be handled in such a way as to make our merchant marine infinitely prosperous if it were adopted.

Mr. JONES of Washington. Mr. President—

Mr. McKELLAR. I yield to the Senator.

Mr. JONES of Washington. If the Senator will permit me, I do not want to be understood as implying that we do not have the constitutional power to take such action. I think we have, and I believe that we could, merely by changing a word or two, make this provision much stronger than it now is and much more along the line the Senator and I both want.

Mr. McKELLAR. I am quite sure that in a subsequent session, when we have more time to perfect this bill, the Senator and I and others who are interested in building up the American merchant marine will perfect it in such a way as to give our ships cargoes and make those who own the ships and operate them prosperous, as they should be.

Now, Mr. President, I come to the next proposition, namely, the transportation on American vessels of the agents and representatives of the United States who travel abroad. It is a very remarkable thing that, despite all the ships the United States has, it is necessary to pass a law to require the agents and representatives of the American people who are compelled to go abroad to travel in American ships. Yet that is what we have got to do. It is provided for in this bill, and it is a very proper provision. I am heartily in favor of it. The Senator from Washington will remember that to every appropriation bill, I believe, considered during the present session—I do not know whether they were finally adopted in conference—I have sought to have attached amendments providing that our representatives who are compelled to go abroad shall sail on American vessels wherever that is possible. Under present conditions the Government pays millions of dollars to foreign ships for the transportation of our representatives to all parts of the world. Mr. President, Americans ought to have more patriotism, more love of country, than to be willing to sail at Government expense on foreign ships when there are good American ships to carry them; and yet we have got to enact into law a provision forcing them to travel on American ships.

I recall a short time ago that our great ambassador to London when he was sent for to come home on a matter of business crossed the ocean to this country and returned to England, as I recall, on a British ship; an American ship was not good enough for him. I have not looked to ascertain, and I do not know whether it was finally adopted in conference or not, but on the diplomatic and consular appropriation I secured the adoption of an amendment requiring representatives of the State Department, great and small, to travel on American ships if they travel at Government expense. I hope that amendment was left in the bill. If so, our American ambassador to London and other ambassadors, representatives, and agents, high and low, will all have to travel upon American ships. That is as it ought to be. The amounts paid out by the Government for such purposes run into the millions of dollars a year, and our ships should receive the benefit of that expenditure. Of course, the provision in the bill on that subject is a good provision; I indorse it strongly; and if it were not for the cash subsidy that is provided for in the bill, the remainder of the bill, bad as some parts of it are, would have my approval beyond the shadow of a doubt.

I next come to the provision requiring the transportation of Government supplies on American vessels. Mr. President, it is a remarkable thing that Government supplies are shipped on foreign vessels and not in American vessels. We have nearly a thousand good steel vessels laid up all along the Atlantic seaboard and some on the Pacific coast; many of them are tied up at Jamaica Bay, near New York; others are tied up in the Delaware River and the Chesapeake Bay and in the James River—they are tied up by the hundreds—and yet the American Government is taxing the American people to pay for the transportation of Government supplies to various parts of the world in foreign vessels. I heartily indorse the provision of the bill on this subject.

I also indorse the provision in regard to tonnage dues. I think that is entirely proper.

Mr. President, I have pointed out, as well as I could, some of the faults and defects of the pending bill, and also some of the good provisions of the bill. I have offered a substitute, as the Senator from Washington knows, for the pending bill. By the way, I wish to digress long enough to say that the Washington Post states that no alternative proposal has been submitted for the ship subsidy bill. I am sorry that the Post has not looked into my substitute, which I think is a most excellent one, and I have no doubt that in the next session of Congress I will find that my distinguished friend from Washington will be actively aiding and supporting me in the adoption of some such measure. I do not mean to say the exact measure as proposed in my substitute, but something along similar lines.

I wish to explain exactly what my substitute proposes. It suggests several changes. My proposed substitute accepts all the good provisions of the pending bill to which I have just referred; they are all incorporated bodily, just as they appear in the bill advocated by the Senator from Washington. I do not even propose to change the transportation features, because I thought those provisions really ought to go to a committee and be improved in the way that the Senator has pointed out; but there are two essential differences between my proposal and the bill reported by the committee.

Mr. President, it is one of the most remarkable things in all American history that the only war which we did not win entirely and absolutely was the War of 1812. That was the war in which our Capitol was burned. Great Britain had the advantage. It will be recalled that we went to war because of the impressment of our seamen and the insistence upon the right of search of our vessels. It is remarkable that in the treaty of peace concluded after that war was over not a word was said about the two principal things for which we went to war. England merely granted us a respite or a cessation of hostilities, without making any agreement virtually that bound her, except what I shall relate in a few moments. Students of history will recall that all that saved us in that war was the brilliant and wonderful victory of Andrew Jackson over the British at New Orleans on January 8, 1815. That victory was won after the war had closed, but General Jackson had not been informed that a treaty of peace had been signed, communication in those days being very slow, and, therefore, not knowing that the fighting was over, he won one of the most brilliant victories of our history.

Mr. BROOKHART. Mr. President—

Mr. McKELLAR. I yield to the Senator.

Mr. BROOKHART. Does not the Senator think that the reason this war is not over right now is that Senators on the other side have not heard of it as yet?

Mr. McKELLAR. Does the Senator mean the subsidy war?

Mr. BROOKHART. Yes.

Mr. McKELLAR. The Senator may be right about that. I read editorials a little while ago in which it was stated that this was a Democratic filibuster entirely. The Senator happens to be a Republican from the good State of Iowa, and I have been informed that not only the Senator from Iowa but quite a number of other Republicans were just as determined, if not a little more determined, that this bill should not pass at this session than any of us Democrats. Am I correct about that? I do not want to mislead anybody.

Mr. BROOKHART. I can assure the Senator that he is absolutely correct.

Mr. McKELLAR. I thank the Senator for that assurance.

Mr. President, I have been diverted for a moment. I want to say that it may be wondered why I am referring to the war of 1812 in this way in an argument on the ship subsidy bill. I will tell Senators why. A treaty of peace with Great Britain was eagerly sought by our representatives, and signed in 1815 under the circumstances that I have mentioned, Great Britain assuming that she was the victor, and our representatives vir-

tually assuming that we were the vanquished. What was the result? The result was that we entered into a commercial treaty under which American rights were sacrificed in a marvelous way. Why, in large portions of the British Empire our merchant ships were not allowed to go into the harbors, save for water. They could not trade with the people; they could not obtain cargoes in the harbors along the Indian Ocean or the South African waters or the African waters at all, or even in the Mediterranean Sea. We gave up the right even to trade with those British Provinces; and what was the result?

You would have thought that that treaty would have been annulled by our Government long ago; and yet the remarkable situation exists to-day that that treaty, made in 1815, is still the law of the land, an existing treaty between this country and Great Britain; and recently—I do not know whether it has been changed lately or not—our ships went to Egypt, for instance, loaded with American goods for Egypt, and they had to get sand from the desert of Sahara for ballast to bring the ships back, and you gentlemen recently put a tariff tax on that ballast. Great Britain, by order in council, did not permit the Egyptians to send back their goods in American ships, but they had to come here in British ships, under the provisions of that treaty of more than a hundred years ago. So it is with other colonies, and so it is that these discriminations against our shipping have been practiced. There are other treaties of like kind.

Congress in 1920 passed a bill, under the leadership of the present chairman of this committee, my distinguished friend from Washington [Mr. JONES], which authorized and directed the President of the United States to annul and abrogate that treaty thus discriminating against American rights. President Wilson, who was President at the time, declined to do it, on the ground, I understand, that it was an invasion of the Executive prerogative, and later on President Harding took the same position.

Mr. President, with those treaties in the way we are not in a position to build up our American merchant marine. Those treaties ought to be abrogated. It has been held that the Congress has a perfect right under the Constitution to annul and abrogate commercial treaties of this kind. I call the attention of the present Presiding Officer [Mr. ROBINSON in the chair] to the fact that I believe in 1912, when he and I were Members of the House, Congress passed a bill or a joint resolution abrogating the treaty of 1832, made with Russia, for reasons which were set out at that time. There is no doubt about the power of Congress to abrogate these treaties. There are 26 of them in all. Our Executives have refused to do it, and I am not blaming anybody. They may have been within their rights, but Congress will also be within its rights if those treaties are annulled, as they ought to be. This Government of ours, in building up a merchant marine, ought not to permit any Government to discriminate against the American Government in the matter of its trade and commerce abroad. There ought not to be any discrimination, and yet under these old treaties it is provided that discriminations can be made, and they are made every day.

Mr. President, I submit in the substitute I have offered, in sections 13 and 14, provisions annulling and abrogating and declaring at an end these treaties that militate against the success of our merchant marine. They ought to be abrogated. They are not in consonance with the times. They are out of date. They are discriminative against us. They constitute an outrage upon our business and they should be abrogated, and I propose that the Congress shall abrogate them in the way I have mentioned; and that is one of the principal differences between my substitute and the bill as reported by the committee.

The next principal difference, Mr. President, is a corollary to that provision. I now read it. It is very short:

"Sec. 15. The Secretary of the Treasury is hereby authorized and directed to set aside upon receipt of 5 per cent of the amount of all custom duties paid under law in force at the time of the enactment of this act or under laws subsequently enacted on all goods, wares, and merchandise imported in ships of the United States, and to pay out the same to the importers of goods, wares, and merchandise which shall be imported in such vessels of the United States, said sums to be paid in proportion to the duty collected on the goods thus imported by each importer: *Provided*, That these payments shall not be made prior to a day 15 months after the passage of this act, at which time the treaties mentioned in sections 13 and 14 of this act shall have been abrogated and annulled by this act, unless it shall be determined finally by the courts that this section is not affected by said treaties: *Provided further*, That no such sums shall be paid to any importer who imports any goods now on the free list, or which may hereafter by law be put upon the free list, in

vessels other than in those of the United States, and the Shipping Board shall establish rules and regulations by which the fact of importation of goods on the free list shall be determined: *And provided further*, That persons traveling and returning to the United States bringing goods, wares, or merchandise with them, shall likewise be entitled to 5 per cent of the duties paid by them: *And provided further*, That this section shall not apply to importers transporting their own products in their own vessels."

Mr. President, I want to say in reference to this provision that in my judgment it is infinitely better than the cash-subsidy provision of the pending bill. In so far as we Democrats are concerned, of course it should meet the approval of every one of us, for the reason that it reduces the present high tariff horizontally 5 per cent on all goods brought in American bottoms. No advocate of a low tariff could possibly object to this provision. It saves the 5 per cent, not to any favored interest but to the merchants who import the goods. It allows those persons to sell to the American people those goods thus brought in American bottoms cheaper than those merchants who bring in their goods in foreign bottoms. It gives an advantage to those patriotic Americans who help to build up American shipping, and they ought to have the advantage.

Mr. President, let us see what else it does. A provision like that will mean that the American merchant marine will get cargoes. That is the purpose of it—to get cargoes. Any importer of foreign goods into this country will, of course, take advantage of the law to obtain a 5 per cent reduction in tariff duties by bringing in those goods in American vessels. What will that mean? That will mean business for our American merchant marine. That will mean cargoes for our American merchant marine. That will mean the true building up of our merchant marine. It is not a gift to them. You do not give them a thing. You merely furnish to them cargoes for their ships. I say to the Senator from Washington, in whom I have the greatest confidence, that in my humble judgment a 5 per cent differential on goods brought in in American bottoms will do the American merchant marine a thousandfold more good than three times the subsidy provided in this bill.

Mr. JONES of Washington. Mr. President—

The PRESIDING OFFICER (Mr. Robinson in the chair). Does the Senator from Tennessee yield to the Senator from Washington?

Mr. McKELLAR. I yield to the Senator.

Mr. JONES of Washington. Of course, I recognize the importance of having cargoes for American ships, and, of course, that was the primary object of the discriminating-duty provision; but, while I may not understand it, as I understand the Senator's provision he sets aside in the Treasury 5 per cent of the duties collected upon imported goods, and then he takes that money and pays it to the importer as a subsidy for bringing those goods into this country in American ships. I can not see the difference in principle between that and what we provide. It is a different application, but I do not see that it is a different principle.

Mr. McKELLAR. It is quite the contrary. I do not recall the history of the Senator on the tariff bill. I believe that he is a high-tariff man; but take those of us who believe in a lower tariff than we have. There is not one of us who would not vote for a horizontal reduction of 5 per cent on the present high-tariff duties. It would mean cheaper goods for the American people. I would vote for that whether it provided cargoes for our American merchant marine or not. I would vote for just the bald proposition, and not only vote for it but work for it and support it, because it is in consonance with what I believe about the tariff. I think the present tariff rates are too high. I would vote for a horizontal reduction of the tariff of 5 per cent with nothing else, and even more, perhaps; but when we can couple with that the bringing to our American merchant marine of an enormous amount of business which will make them prosperous, it seems to me that it should meet the approval of practically every one, and it is no form of a subsidy, no form of a bounty. It can not be construed into a bounty. Why? These importers are the ones that pay the tax. It is a lessening by 5 per cent of the taxes now levied upon importers of goods. It can not be said that it is a bounty to them. It is not at all. It is a reduction of tax, and a reduction of tax in such a way that it will force into American bottoms an enormous quantity of goods.

This is no new item. It has been suggested in the past quite frequently. It was enacted, in substance, in a law that was passed by the Congress in 1913, known as the Underwood-Simmons bill, and in that bill there is a provision for a differen-

tial of 5 per cent on goods brought in American bottoms, and, as I recall, some court held that it was unconstitutional; but, at any rate, it never has been enforced. The Senator will recall, from the history of our merchant marine, that for nearly a half century after the formation of our Government a differential duty was placed upon goods brought in American bottoms, and our merchant marine before the war was largely built up by this differential duty.

Mr. JONES of Washington. Mr. President, if the Senator will permit me, I remember about that. I remember that I made a speech in behalf of this provision in the Underwood tariff law.

Mr. McKELLAR. I am delighted to know that. The Senator and I are not very apart on this merchant-marine business.

Mr. JONES of Washington. I think that is one of the best speeches I ever made, and I hope the Senator will read it.

Mr. McKELLAR. I will. I am going to read some more of the speeches of the Senator in a little while—part of that 14-hour speech of his.

Mr. JONES of Washington. That will be fine. My point, however, was this: I do not think there will be much controversy between the Senator and me on the principle, except that it seemed to me that the Senator has the provision framed contrary to what he has been arguing with reference to the principle of the subject.

Mr. McKELLAR. Oh, no.

Mr. JONES of Washington. I may be wrong about it, but the Senator takes this money and puts it into the Treasury. It is not remitted as a diminution in the tariff, but he takes the money and puts it into the Treasury, and then out of that fund he pays a certain sum to the importer for bringing goods into this country in American ships. It looks to me as though that is a subsidy. I may be wrong about it.

Mr. CUMMINS. Mr. President—

Mr. McKELLAR. I will discuss that in a minute. I yield to the Senator from Iowa just now.

Mr. JONES of Washington. I may be in full accord with the Senator as far as that is concerned—

Mr. McKELLAR. I am quite sure the Senator will be.

Mr. JONES of Washington. Because I am for subsidies when necessary.

Mr. CUMMINS. Mr. President, I ask the Senator to yield to me only for the purpose of making two reports from the Committee on Interstate Commerce.

The PRESIDING OFFICER. The Senator from Iowa asks unanimous consent, out of order, to submit two reports from the Committee on Interstate Commerce. Is there objection?

Mr. McKELLAR. Of course, I am not to be taken off my feet.

Mr. FLETCHER. Mr. President, I know there are others who feel that there ought to be an objection, so I object.

The PRESIDING OFFICER. Objection is made.

Mr. CUMMINS. Objection is made?

Mr. FLETCHER. Yes, sir.

Mr. JONES of Washington. Mr. President—

Mr. McKELLAR. I yield now to the Senator from Washington.

Mr. JONES of Washington. I do not want the Senator to be uneasy. I will notify him before I propose to invoke the rule.

Mr. McKELLAR. I thank the Senator very much.

Mr. JONES of Washington. The Senator need not worry about that. All I ask is just a reasonable compliance with the rule. I will not invoke it except when I think it is being violated to consume time or parcel out time.

Mr. McKELLAR. I am undertaking in my feeble way to discuss the provisions of this bill.

Mr. JONES of Washington. The Senator has done it.

Mr. McKELLAR. And I have no desire to do otherwise.

Now, Mr. President, I want to say a word about the provision which the Senator and I have been talking about.

The Senator will recall the inhibition in our Constitution against the Senate initiating revenue legislation; and therefore in the Senate an amendment could not be offered providing for a differential in tariff rates such as the Senator has suggested. That was one consideration in the preparation of this provision in section 15.

Another consideration was that such a differential in tariff duties might be in legal parlance a discrimination. Foreign nations under treaties might be in a position to object to a differential which might discriminate in the matter of bringing goods in American vessels. But no foreign nation can object to our appropriating money for any purpose we see fit. Therefore, if precisely the same result could be accomplished as a differential by directing the 5 per cent to be set aside and paid out, it avoids that difficulty which might otherwise be brought up.

But there is even another consideration to which I will call the Senator's attention, and ask his usual thoughtful considera-

tion of it. A differential such as the Senator from Washington suggested awhile ago in tariff duties would affect only dutiable goods. It would not affect goods on the free list at all. The Senator will see that point. More than half of our goods are now on the free list.

Mr. JONES of Washington. It would be very easy for us to provide that goods otherwise on the free list, if brought in foreign ships, should pay a slight duty.

Mr. McKELLAR. That could be provided, but from our Democratic standpoint I would not want to vote for any such provision as that. Of course, the Senator would have no objection to it, but I would. I do not want a tariff put on any more articles than are now on the dutiable list. But the provision that I propose eliminates that consideration in that there is a proviso that if any importer brings any goods on the free list in ships other than American bottoms, the 5 per cent is not paid. So he is obliged to bring his free goods in the same as his dutiable goods in order to get the 5 per cent on the dutiable goods. I think when the Senator comes to consider that provision he will come to the same conclusion that I have reached, that it would be a reduction of the burden of taxation upon the American consumer by a horizontal reduction of the tariff to the extent of 5 per cent, that it would furnish cargoes of dutiable goods for our merchant marine, and it would at the same time furnish cargoes of free goods, goods on the free list, for our merchant marine.

Mr. FLETCHER. Mr. President—

Mr. McKELLAR. I yield to the Senator from Florida.

Mr. FLETCHER. May I ask the Senator if it is not true that people well informed on the whole subject have been favoring for a great many years the principle of discriminating duties as a sound principle upon which to build a merchant marine? That is an old policy approved by people who have made a study of the subject, and it was in force at one time and produced great results in building up a merchant marine. Even good, strong Republicans and good, strong protectionists like the American Economist, for instance, advocate to-day that same principle as against the subsidy. If that is true, why should we not resort to a method of that kind rather than the method of paying money out of the Treasury?

Mr. McKELLAR. I will say to the Senator from Florida that not only is he correct, but I believe it was in 1789, the first year of our Government under our new Constitution, that a bill was passed which provided for a discriminating duty on goods brought in American vessels, and that has been done continuously. It was an American policy continuously up until the treaty of 1815. Great Britain never accepted the provisions of our commercial treaty putting it in full force and effect until 1848 or 1873, and it was that time that marked the beginning of the decline of American shipping. We built up a splendid merchant marine long before the Civil War by reason of discriminating duties which brought cargoes to our fleet. That is what we need now. I want to impress again upon the Senate that the purpose of the provision is to gain cargoes for American ships so that they may prosper. No one is more in favor of building up the merchant marine than I am.

I come to the next principal provision and, of course, instead of the Senator from Washington agreeing with me about this one, he will disagree very firmly, I have no doubt. I come to one of the principal differences between my substitute and the committee bill. Section 17 of my substitute reads as follows:

"SEC. 17. It is hereby declared the policy of the Congress that all the ships now owned by the Government under the direction of the Shipping Board shall be operated for a period of 10 years, either directly by the Shipping Board or by leasing to independent operators under such terms as the board shall prescribe, to the end that the American merchant marine may be established upon a firm and enduring foundation, provided that no ship shall be leased at a loss to the Government.

"And the Shipping Board is hereby directed to establish trade routes and trade connections as rapidly as possible and wherever in its judgment paying routes can be maintained and to utilize every ship that it can utilize without loss to the Government. The Shipping Board is further directed to make a list of such ships as it does not believe can be profitably utilized by the Government or its lessees and make its recommendation in reference to the disposition thereof to the Congress at its December, 1923, session, giving full data as to each ship recommended to be sold to others than American citizens."

Mr. President, at this point I am going to digress and the reason why I digress is because I want to read to the Senate a very excellent defense of the filibuster delivered by my distinguished friend, the Senator from Iowa [Mr. CUMMINS], who I see is now in the Chamber, and who was not in the Chamber when I reached that point a while ago. I did not want to refer

to it when he was absent. As he is now here I want to read what he said in 1915 on the subject of the filibuster. I doubt if he is like some of our other friends who have changed on the proposition; I expect that he holds to the same view now; and, therefore, I am going to digress long enough to quote what he said at that time.

Mr. CUMMINS. Mr. President, I very well remember what I said, and my views are not changed in the least degree.

Mr. McKELLAR. I am very glad to know it.

Mr. CUMMINS. I hope the Senator will not look upon me as discourteous if I do not remain to hear read what I so well remember.

Mr. McKELLAR. Oh, no; I shall not; but I will just read it for a moment. I think it will interest the Senate, in view of the present condition with reference to the pending bill.

On February 16, 1915, the Senator said:

"Mr. CUMMINS. Mr. President, as I was just observing, there is room for a very wide difference of opinion with regard to the propriety or wisdom of imposing a cloture upon the deliberations or debates of the Senate.

"I have given due heed, I think, to the arguments for and against the limitation of debate, and without entering into the reasons which have influenced me, I desire to say that in my opinion the weight of the argument is in favor of a limitation of debate in the Senate. When I say that I am not to be understood as saying that I believe the majority of the Senate should at any time have the power to absolutely foreclose further debate, but I do think that a proportion of the Senate—I have not reached a definite conclusion upon that point, whether it should be a majority or whether two-thirds of the Senate—ought to have the power to put into effect a rule which will automatically close debate after a reasonable time, after every Senator has had an opportunity to reasonably discuss the question before the body."

That is a prelude to the part to which I wish to call particular attention:

"There are, however, two conditions which ought to be excluded from the operation of any such rule. There are two conditions against which a filibuster, so called, is not only justified but, I think, imperatively demanded. Whenever the Chief Executive of the country attempts to impose his will upon the Senate, and thus to preclude or prevent that fair and open mind to which all discussion ought to be directed, when Senators do not feel that they are at liberty to vote upon a particular measure in any way which their judgment and their conscience direct them to vote, then a rebellion in the form of a filibuster is not only justified but, I think, it is absolutely required if we would preserve the freedom and the dignity of the Senate of the United States. I recognize, however, that there is no practicable way in which the existence of that fact or that condition can be shown. I do not know of any method through which proof could be offered of that fact. Therefore I pass it without further consideration.

"But there is another condition, Mr. President, which justifies a political minority in prolonging debate to the uttermost limit of their strength. That condition is a caucus held by Senators which, under a rule adopted by some political organization, binds or attempts to bind all Senators belonging to that political organization to vote in a particular manner."

Those two propositions, I think, can not be gainsaid by anyone. I have read them in order to show—

Mr. CUMMINS. I agree with that, every word of it.

Mr. McKELLAR. I was quite sure the Senator would. The reason why I quote that at this time is because of the commanding place and influence of the Senator in this body. He is respected by every one here. He was chosen by this body as its President pro tempore to preside when the Vice President is absent. We have all learned to know the careful consideration that he gives to all questions that come before him. We all know of his fairness and of his desire to do the right and square thing. So, when I quote him, I feel that it is a very high authority to which other Senators should give very great heed.

Mr. CUMMINS. It depends on each man's conscience.

Mr. McKELLAR. Absolutely. Now, here is a bill which comes virtually from the Executive. The ship subsidy issue was an issue in every campaign last fall. It was decided adversely to the President. The Members of Congress elected and to take their seats in the next Congress would never pass the ship subsidy bill. The only way the ship subsidy bill could possibly be passed would be to bring it to a vote at this session of Congress, where men who were defeated would take part in the vote and help to form a majority for the passage of the bill. It has been repudiated by the people. The new Congress will not pass it.

Yet the Executive undertakes, by a message delivered before the Congress, to impose his will, to impose his views upon the Congress of the United States. Those of us who regard the ship subsidy bill as having been repudiated by the American people believe that for some reason—probably some reason that seems to the President entirely right and sufficient—he desires to impose his will upon the Senate of the United States. And, under the statement made by the distinguished Senator from Iowa, of course every Senator who thus believes has a duty to employ every means to defeat the bill in the present Congress.

Again, under the statement made awhile ago by the distinguished Senator from Washington [Mr. JONES], chairman of the Committee on Commerce, that the bill was submitted first to certain organizations and then afterwards to a caucus of the Republican members of the Senate Committee on Commerce and later to the members of the House committee having the bill in charge there, and they in their caucus undertook to impose upon the Congress of the United States their will, then, under the definition of the Senator from Iowa, not only is it our right but it is our duty—those who do not believe that the bill should be foisted upon us by a secret caucus—to oppose the measure to the limit.

Mr. HITCHCOCK. Mr. President—

The PRESIDING OFFICER (Mr. ROBINSON in the chair). Does the Senator from Tennessee yield to the Senator from Nebraska?

Mr. McKELLAR. I yield.

Mr. HITCHCOCK. Undoubtedly if the Senator from Iowa had conceived it possible that the President would undertake to force his will upon the Congress after a measure had been repudiated by the people, he would have included this particular situation in his opinion of a filibuster. The present situation is even a little stronger than that which he described so well.

Mr. McKELLAR. Yes; it is very much stronger. I thank the Senator for the interruption. It is very much stronger, because it indicates that then there was no mandate from the people. It had not been submitted to the people previously, but here the very question was submitted to the people of the United States, and they decided adversely; and, notwithstanding their adverse decision, the President of the United States, simply because eight of the Senators hold only until the 4th of March, undertakes to foist the bill upon the American people which they have repudiated, to jam it through the Congress, to use the excellent expression of the Washington Post, notwithstanding the decision of the American people.

Mr. HARRISON. Mr. President—

Mr. McKELLAR. I yield to the Senator from Mississippi.

Mr. HARRISON. Does not the Senator think that if the Senator from Iowa would really express himself on the proposition at this time—and I see him sitting before me now—he would agree with the view just expressed by the Senator from Tennessee?

Mr. McKELLAR. I have such great respect for the Senator from Iowa that I would not feel like inviting him to do so unless he felt like doing it of his own accord.

Mr. CUMMINS. Mr. President, if the Senator wishes to interrogate me regarding anything, I am perfectly willing to be interrogated.

Mr. McKELLAR. As I said, I feel that that would hardly be proper. If the Senator from Mississippi desires to do so I have no objection.

Mr. CUMMINS. I, of course, can understand the humor of the Senator from Mississippi, but I felt quite sure that the Senator from Tennessee did not feel quite that way.

Mr. McKELLAR. Oh, no; I do not. I would not feel like interrogating the Senator from Iowa unless he desired voluntarily to submit to it.

Mr. HARRISON. Mr. President, will the Senator yield to me?

Mr. McKELLAR. I yield to the Senator from Mississippi.

Mr. HARRISON. I do not think the Senator from Iowa exactly caught the purport of the interruption. The Senator from Tennessee had just paid a very great eulogy, and very properly so, to the great ability of the Senator from Iowa.

Mr. CUMMINS. Which I do not deserve, but which I appreciate very much.

Mr. HARRISON. And he had quoted at length from a speech which the Senator had made contending that when the will of the people was being thwarted the minority had a right to go to any extent, even almost to rebellion, I believe, if I recall the words correctly, in preventing a cruel and unjust

act; and the Senator quoted conditions that would warrant such a procedure. The Senator from Tennessee then said that the present situation was even stronger, because there were 7 or 8 so-called "lame ducks" who were being used in order to force through by a very narrow margin this piece of proposed legislation; that it was done after the people had spoken in an election; and that if the Senator from Iowa would now express himself, perhaps, he would add that condition in addition to other conditions which he imposed.

Mr. CUMMINS. Mr. President, I am quite content with the statement I made from which the Senator from Tennessee read. I am a law-abiding man, and so long as the Constitution of the United States permits Senators who may have been defeated for reelection to act as Members of this body, I do not believe in putting any limitation upon their action. That would not be in accord with our institutions.

I am in favor of changing the Constitution, and have been so for many years—I have made some effort in that direction in the past—so that no Congress shall convene save the Congress which has been last elected by the people. I do not believe it is wise to permit one year practically to intervene between the election of a Congress and the time when that Congress shall begin to function. I suppose I feel about that just as the Senator from Mississippi does; but, so long as we are operating under our Constitution, it is idle to speak of limiting in any respect the votes or the scope of the votes of the existing Members of Congress.

Mr. McKELLAR. Mr. President, I wish to say that I agree entirely with the Senator from Iowa that we not only have no legal right but that we have no moral right, in my judgment, in any way to deprive of any right Senators whose terms of office run only until the 4th of March, 1923. They have just as many rights as other Senators have, and I would not attempt to take them away from them. Of course, I again agree with the Senator from Iowa when he says that the Constitution ought to be changed so that after the election, or as shortly after the election as may be reasonable and proper, the new Congress may assemble before any business is transacted after the election; in other words, that after the election is held in November there shall be no session of Congress until the new Congress comes in.

Mr. CUMMINS. I agree with that.

Mr. McKELLAR. We nearly all voted for the constitutional amendment having that object in view just a few days ago, and it is now in the House of Representatives. A very large majority of Senators voted for the amendment on both sides of the Chamber, and I think it commends itself not only to the Congress but to the American people, and it is right.

If there were no other reason for refusal to pass this bill than the fact that Senators who have been elected to the Senate and whose terms have not yet expired might vote on it, of course, there would be nothing in the contention; but here is a bill that comes to us outlawed, so to speak, by the American people, and which many of us believe is wrong both in policy and in principle, but which the Executive asks shall be passed by us. Then, I think under the rule which has been laid down by the Senator from Iowa, which I have just read, that that is an Executive interference that requires those of us who believe that the bill should not pass to prevent its passage in any way that it is honorable and right so to do.

Mr. CUMMINS. Mr. President, if the Senator from Tennessee will allow me, I desire to say that I have expressed myself a great many times on this floor with regard to Executive interference, and I have not changed my mind about that. The Constitution gives to the President of the United States the right to advise Congress of his views and to make his recommendations concerning public affairs. No one can criticize or no one can complain of the President for doing that thing. So far as any other interference is concerned, I abhor it just as much as the Senator from Tennessee possibly can. Every man knows—that is, he can define in his own mind, although he may not be able to put it accurately in words—the influence which an Executive should exercise upon Congress. I have no reason to believe that the present Executive has gone beyond his constitutional privilege, his constitutional duty, if I may put it in that way. If he has done so, whoever knows it ought to disclose it.

I am rather intimate with the President of the United States in a social way; I value his friendship; I think he is a strong, good man; but he has never indicated to me his views in reference to—indeed, we have never even discussed—the so-called shipping bill. I think the notion that he is attempting in any improper way to influence the Members of Congress with

regard to this proposed legislation is a misapprehension; that it is founded upon an error. Does the Senator from Tennessee know of any instance in which the President has made such an attempt?

Mr. McKELLAR. Mr. President, I am very glad to say to the Senator that there can be no question that the President had the constitutional right to make any address and recommendation to Congress that he saw fit to make in reference to this matter, but I doubt his right and the wisdom of it to insist, as the public prints say that he does insist, that this bill which he has recommended shall be voted on in a Congress, that is a kind of left-over Congress, after the American people have decided against the bill. In other words, I am not questioning the high motives of the President, but I am merely questioning his having taken such action and the wisdom of his action. It would be entirely proper for him, it seems to me, to make that recommendation to the new Congress that is to come in, but it seems to me it is just a little out of place for him to insist that the bill should only be acted upon by a Congress such a large part of which has been repudiated.

Mr. CUMMINS. The Senator is in favor of amending the Constitution so that there shall be no intervening session of Congress between the election and the time when the new Representatives and Senators shall take their seats?

Mr. McKELLAR. We all feel that way about it.

Mr. CUMMINS. If that were the law, if that were the Constitution, I agree entirely with the Senator from Tennessee, but that is not the Constitution.

Mr. McKELLAR. I said very frankly to the Senator that I believed a Senator has the constitutional right to act until his term expires.

Mr. CUMMINS. The Senators and Representatives who are going out of office on the 4th of March have the same right exactly to vote upon a public question that they would have if they had been reelected.

Mr. McKELLAR. Of course, I agree to that; there is no difference between us as to that.

Mr. CUMMINS. I can not understand the criticism which has fallen, not upon the President, because I have not heard it expressed in that way, but I heard it said—I think it was proposed in the form of a resolution—that Senators whose terms are about to expire should not vote at all. I think, however, that was speedily withdrawn, because it was recognized that that could not follow. The people elected these Senators for a certain period, and during that period they have a right to exercise all the privileges which attach to the office of a Senator. Ultimately the people will have their way and will send Senators and Representatives who, broadly speaking, represent their views. I think the Senator from Tennessee places undue emphasis upon the fact that some Senators are going out of Congress on the 4th of March, and that we, the Republican side of the Chamber, should not therefore press this legislation because they are going out.

Mr. McKELLAR. I think the Senator from Iowa, if he would give consideration to another feature of the question that we have not discussed as yet, would virtually have the same view that I have. If this were merely ordinary legislation the Senator would be correct about it, of course, but this is extraordinary legislation. It provides that the Shipping Board may enter into contracts to pay subsidies out of the Treasury of the United States not for the next year, but for a period of some 10 to 15 years, and, therefore, it is binding not only upon the present Congress, but it will be binding upon practically eight Congresses in the future, and it will be binding upon four future Presidents, simply because when this Government makes a contract such as is proposed by this bill, granting subsidies over such a long period of time, the Government is going to live up to that contract; it will be obliged to live up to that contract as an honest Government.

Under those circumstances, at a short session of Congress, without due deliberation, with only one or two speeches on the part of the proponents of the bill—I think only one or two such speeches have been made—we ought not to tie up future Congresses and future Presidents in the way that is proposed by this bill.

Mr. CUMMINS. About half the domestic expenses of the Nation, excluding war expenses, are composed of subsidies. We are voting on subsidies all the time. I make no suggestion with regard to my view of this bill, but I can not see any reason for defeating it because it is a subsidy, because we are constantly subsidizing the people of the United States.

Mr. McKELLAR. Not in 10 and 15 year contracts. I think this is the only bill of this kind; certainly it is the only bill that I can now recall during the 12 years that I have been in

Congress that has sought to bind the Government for anything like such a period of time.

Mr. CUMMINS. That may be very unwise; I do not say as to that; but it is a thing that everybody can understand. I have been rather surprised to hear the clamor against subsidies when the United States was subsidizing practically every class of citizens in one form or another. I do not believe that a government can be successfully maintained in these days without subsidies. I think there are people who can not take care of themselves for one reason or another and the Government must subsidize them. I am not saying that the Government ought to subsidize shipping; I am only saying that it is not a remarkable thing that the Government shall pay out money in order to maintain people who can not maintain themselves.

Mr. McKELLAR. I want to ask the Senator if he knows of any other government which is subsidizing its shipping with a cash subsidy?

Mr. CUMMINS. I am not going to enter into that question. I have not studied that phase of the situation.

Mr. McKELLAR. As a matter of fact, no other government has passed a cash subsidy bill for its ships.

Mr. CUMMINS. The Senator a few moments ago was speaking about the tariff. Is not the tariff a subsidy?

Mr. McKELLAR. I have always maintained it was, and for that reason have voted against every high-tariff bill.

Mr. CUMMINS. The Senator voted for the Underwood-Simmons bill, did he not?

Mr. McKELLAR. Yes. That was a very different bill.

Mr. CUMMINS. Was not that a subsidy?

Mr. McKELLAR. No.

Mr. CUMMINS. It was a subsidy, but not to such a degree; that is all.

Mr. McKELLAR. No; that was a revenue producer.

Mr. CUMMINS. Precisely; but—

Mr. McKELLAR. Its purpose was to produce revenue and not to afford protection for favored interests.

Mr. CUMMINS. I was in the Senate when the Underwood-Simmons bill was passed, and I think that the debates of that period indicated that most of the Senators believed that the rates in that measure would not have been levied had it not been for the protection they contained. That is my judgment.

Mr. McKELLAR. There is another difference, if the Senator will permit me to make the suggestion, between the tariff and the pending bill. The tariff as a measure raising revenue by reason of the duties on imports is specifically provided for in the Constitution, but I do not think anybody in the world would say that a bill providing for the payment of cash subsidies to ships is provided for in the Constitution.

Mr. CUMMINS. When we come to consider whether a proposed subsidy is wise or not, then that is a matter of individual judgment and individual conscience. But to be very much astonished at the word "subsidy" I can not understand, because we grant subsidies all the time and we have to do so all the time.

Mr. McKELLAR. I do not recall any such subsidy as is proposed here.

Mr. CUMMINS. A different kind of subsidy, of course, but having really the same end—that is, to take care of people who can not take care of themselves. Did the Senator hear the Senator from Idaho [Mr. Gooding] deliver his very eloquent speech this morning?

Mr. McKELLAR. Yes; I heard it.

Mr. CUMMINS. Would the Senator regard the proposal he advocated as a subsidy?

Mr. McKELLAR. I am inclined to think it would be.

Mr. CUMMINS. It may be a very defensible subsidy.

Mr. McKELLAR. I am not so sure of that; I am rather against all subsidies at all times.

Mr. CUMMINS. I am expressing no opinion about that, but I know that we pay out, excluding the Army and Navy, about half of all the money we appropriate in the form of subsidies.

Mr. HITCHCOCK. Mr. President—

Mr. McKELLAR. I yield to the Senator from Nebraska.

Mr. HITCHCOCK. The Senator from Iowa seems to think that presidential interference depends upon the degree. He concedes, as we all do, that the President has the constitutional right to make recommendations. He made a recommendation to Congress upon the ship subsidy bill, and it thereupon became a party measure; but I want now to ask the Senator whether the mere matter of recommendation was not exceeded when the President a few weeks ago, in recommending the passage of the debt settlement bill, used language entirely outside of the subject he called Congress together to discuss? He said:

"Knowing there is abundant time for ample debate, I would be recreant to my belief in the urgency of a decision on the merchant marine bill if I did not renew the request that it be brought to a final disposition. I venture the allusion because it has been threatened that the merchant marine act shall not be allowed to come to a vote."

He carried his insistence further when he gave this criticism of the program:

"Mere avoidance by prolonged debate is a mark of impotence on a vitally important public question."

A direct criticism of Congress during the last few months.

"I plead for a decision. If there is a favorable majority, the bill should be enacted."

Not a majority of the people, but a majority now existing in Congress.

"If a majority is opposed, defeat will be decisive. Then if Congress fails in providing the requested alternative measure the Executive branch of the Government may proceed as best it can to end the losses in liquidation and humiliation."

More or less of a threat to Congress that if it did not do the Executive will in this matter humiliation would come to the country by Executive action.

Mr. CUMMINS. I did not so understand the President's language. It seems to me very respectful and temperate.

Mr. HITCHCOCK. Let me repeat it to the Senator:

"Then if Congress fails in providing the requested alternative measure the Executive branch of the Government may proceed as best it can to end the losses in liquidation and humiliation."

The Executive branch of the Government is going to end the losses in liquidation and humiliation.

Mr. CUMMINS. Precisely. Congress has already given to the President the power to sell these ships.

Mr. HITCHCOCK. That is all right.

Mr. CUMMINS. And all that he says there is that if the law is not modified he may conclude that it is his duty to sell the ships as provided by Congress.

Mr. McKELLAR. Is not that a threat?

Mr. CUMMINS. Not a threat; no.

Mr. McKELLAR. When it comes from the President of the United States?

Mr. CUMMINS. If I were to say what I intended to do under certain circumstances, I would not regard that as a threat. I see no impropriety at all in the language of the President. He has a right to impress upon the Congress his view with respect to the merchant marine law, and I have always thought that he employed very temperate language in conveying his ideas. That is his distinctive style—to speak respectfully.

Mr. McKELLAR. Mr. President, listen to this:

"I speak frankly, because the situation demands frankness. I am trying to emphasize a responsibility which can not be met by one branch of the Government alone."

Is not that a statement that the Congress was not meeting its responsibility?

Mr. CUMMINS. No; that is a statement that it requires Congress and the President to make a law.

Mr. McKELLAR. I submit this sentence to the Senator:

"There is call for congressional expression, not mere avoidance."

Is not that a statement that the Congress is likely to avoid its duty?

Mr. CUMMINS. That is a statement that in his opinion Congress ought to proceed with more rapidity in the disposition of this matter. Does the Senator see any impropriety in that?

Mr. McKELLAR. I think it is not an appropriate message.

The President had given his views to a former extra session of Congress. The President had come to Congress and given his views specifically on the merchant marine bill, had urged its passage, and had given all the reasons that he gave for it in this last message. There was no reason for his repeating them. The Congress knew exactly what his views were; and it appears to me that it is in substance a threat to get rid of our entire merchant marine unless they pass the bill providing a cash subsidy; and I say that with all respect to the President, whom I esteem very highly.

Mr. CUMMINS. I do not think it lies within our consistency, anyhow, to criticize a man for saying something twice. There is a good deal of repetition in the Senate, and no one can conduct an argument without it.

Mr. McKELLAR. But it is not saying something twice to make a formal effort under his constitutional prerogative to emphasize the same thing, and not only to emphasize it but, as it appears to me, to be threatening in his words.

Mr. CUMMINS. Well, he believes in it—

Mr. McKELLAR. I am quite sure he does.

Mr. CUMMINS. And he is repeating his belief, I suppose, as often as he gets an opportunity to do it; but there is nothing wrong about that. The wrong would come only when he attempted in some improper way—not publicly, not while performing his constitutional duty—to influence Members of Congress with regard to their votes.

So far as I am concerned, I like to see a man who believes in a proposal just as outspoken in that belief as it is possible to be. That is one of the admirable things about the President of the United States. He does not conceal his beliefs, and he thinks that it is his duty under the Constitution to express what he believes the legislation on this subject should be; and, so far as the threat to dispose of the ships if the bill does not pass is concerned, what would the Senator from Tennessee do?

Mr. McKELLAR. With the ships?

Mr. CUMMINS. With the ships.

Mr. McKELLAR. Why, if I had charge of them I would have the Shipping Board operate them for the benefit of the American people. This is what they ought to have been doing all the time. I would not tie them up; certainly no more of them than was necessary.

Mr. CUMMINS. No matter what it cost to operate them?

Mr. McKELLAR. I would proceed with them under the law, under the powers that I now have, and I would operate them for the benefit of all the American people, without giving subsidies to any of them, or asking Congress to do so.

Mr. CUMMINS. The operation is optional with the President. He does not have to operate the ships.

Mr. McKELLAR. I know; but I would take that option if I were in his place. I would not undertake to put them in private hands for a song, as is attempted to be done here. I would operate those ships for the benefit of all the people, and not ask for authority to turn them over to the hands of a few people, and then give those few people a subsidy to operate them. The Senator asks me what I would do, and I tell him very frankly what I would do.

Mr. CUMMINS. The Senator would operate them no matter at what cost, I suppose? I do not believe the President of the United States has the moral authority, anyhow, to operate these ships and levy \$50,000,000 a year upon the people of the country toward their operation.

Mr. McKELLAR. Mr. President, I believe if they were properly and economically operated by a Shipping Board that knew its business, instead of losing \$50,000,000 a year the Shipping Board would be making \$50,000,000 a year in the operation of those ships.

Mr. CUMMINS. I do not know as to that. I am not able to answer that. I am not an expert in shipping.

Mr. McKELLAR. I am not, either; but the Senator asked me what I believed, and I am telling him.

Mr. CUMMINS. But I think it might be taken for granted that the ships are being operated about as cheaply as they can be.

Mr. McKELLAR. I do not know whether that can be taken for granted or not, under the facts as established in the hearings. I have very great doubt about that. For instance, just take the salaries of three of the vice presidents of this board at \$35,000 a year. I think that is a willful waste of the people's money, and they ought not to have any such salaries.

Mr. CUMMINS. That depends. I know of a good many men who can earn \$35,000 a year.

Mr. McKELLAR. Oh, yes; perhaps there are such men. But they are not the vice presidents of the Shipping Board.

Mr. CUMMINS. I do not know whether these men earn the money or not.

Mr. McKELLAR. I only know that one of them during the war, as I understand, got \$6,500 a year.

Mr. CUMMINS. The amount of a salary does not prove that it is excessive. You must go further than that before you can pass on that matter.

Mr. McKELLAR. The Senator says it is not excessive. Does the Senator know of a single other officer, except the President of the United States alone, who gets as much from the Government as the vice president of the Shipping Board at \$35,000?

Mr. CUMMINS. I do not know.

Mr. McKELLAR. Oh, yes; the Senator must know that.

Mr. CUMMINS. No; I do not.

Mr. McKELLAR. The Senator must know that only the President gets a salary larger than \$35,000 a year, paid by the Government.

Mr. CUMMINS. Oh! There are a great many larger salaries paid than are paid to officers of the Government.

Mr. McKELLAR. I am talking about governmental salaries. No other governmental salary except the President's is as

high as that. The Chief Justice of the United States gets \$15,000, and he is the highest paid, I believe, unless it be the Vice President, who gets \$15,000, or maybe it is \$12,000.

Mr. CUMMINS. Twelve thousand five hundred dollars, I think.

Mr. BORAH. And we are going to buy him a house.

Mr. McKELLAR. No other officers of the Government than the vice presidents of the Shipping Board get such enormous salaries. Why, take the members of the Shipping Board themselves. They get \$12,000 a year, and yet these vice presidents get three times that; and one of them, by the way, in a letter that I had published in the Record, directed me to inform my constituent that it would be cheaper for my constituent to ship his goods in a British vessel than it would be for him to charter an American vessel, when he was there as the representative of the American vessel.

Mr. CUMMINS. I do not know anything about those facts.

Mr. McKELLAR. I am giving them to the Senator so that he may know the kind of Shipping Board men to whom we are giving these enormous salaries. You would think that a man to whom we pay the enormous salary of \$35,000 a year—

Mr. CUMMINS. I do not even know who it is.

Mr. McKELLAR. Mr. Smull—you would think that when he was applied to for the chartering of a ship by an American citizen he would not say to the American, "You can get your ship cheaper from the British merchant marine."

Mr. CALDER. Maybe he was telling the truth.

Mr. McKELLAR. Well, I believe either the Bible or some other good book says that it is not always expedient to tell the truth.

Mr. BORAH. No; it was not the Bible.

The PRESIDING OFFICER. Senators will please observe the rule. Senators desiring to interrupt the Senator having the floor will address the Chair.

Mr. McKELLAR. Mr. President, joking aside, the facts about that matter were these, and I will state them again: I will put in the Record the letters that passed between us a year or two ago. Some constituents of mine, Humphrey Godwin & Co., of Memphis, Tenn., sent me a letter asking me to see upon what terms and when they could charter from the Shipping Board an American ship to carry a shipload of cottonseed meats—the Senator, of course, knows what they are—from a Texas port to two British ports. I read that telegram over the telephone to a man by the name of Robinson, who was in Mr. Smull's office, and Mr. Robinson without any ado replied to me over the telephone: "Tell your constituents to interview the British people." I think he used the word "people" instead of "merchant marine." "We do not want that business. The British people can do it cheaper than we can." He never asked any questions. That was the statement. I telegraphed that statement, by his direction, to my constituents. I wrote to Mr. Smull that night—he happened to be away at that time, he was in New York City, this man to whom we paid \$35,000 a year—I wrote him that night, sending him the telegram and my reply to it, and giving him the information, and the next day I got a letter from Mr. Smull upholding Mr. Robinson in saying to my constituents that it was cheaper to ship on British ships, without any investigation, without any knowledge of the subject, simply upon the proposition being stated to him, and incidentally stating what the rates were, and he did not even have the rates right, as the correspondence will show, and I will put it in here. It has already been put in the Record once, but I want to put it in again right here for the information of the Senate.

Mr. CUMMINS. I can not pass upon the competency of the various men who are employed in the Shipping Board.

Mr. McKELLAR. If that man were in my employ I would not regard him as a \$35,000 man.

Mr. CUMMINS. That man was operating for the Government, and it was his duty to do what he believed was right. That is one of the objections I have to Government operation of steamship lines and railroad lines. I do not believe in it, because when the Government operates—

Mr. McKELLAR. They do not care about business.

Mr. CUMMINS. The Government can not be as selfish, and ought not to be as selfish, as the individual corporation. It is not possible that it shall be.

Mr. McKELLAR. Mr. President, I am not going into the discussion of Government ownership to-night.

Mr. CUMMINS. No; I am not, either.

Mr. McKELLAR. I have not time.

Mr. CUMMINS. But I do not believe that the Shipping Board has paid more for its men than it was necessary to pay in order to get the kind of men it wanted.

Mr. McKELLAR. Why, Mr. President, during the war we got this very man for \$6,500, according to my recollection, and if I am wrong I want to be corrected.

Mr. SMOOT. Mr. President—

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Utah?

Mr. McKELLAR. I do.

Mr. SMOOT. We got a good many men during the war at a dollar a year, too.

Mr. McKELLAR. Yes; and they were the most expensive men in the world. I think this man was expensive at \$6,500 during the war and infinitely more expensive now at \$35,000.

Mr. SMOOT. But I want to say to the Senator that the two men he is speaking of now would be delighted if the Government of the United States would relieve them of the positions they are now occupying. I say that because I know it. I do not say it because I have heard it from unreliable sources. They can get more money than \$35,000 to-day.

Mr. McKELLAR. Mr. President, if the transaction with my constituents is the kind of a business transaction that they are engaged in as vice presidents and officers of the Shipping Board, I think it would be infinitely better for the United States Government if they should get some other jobs as soon as possible. They ought to be relieved immediately.

Mr. SMOOT. Let us see if that is so, taking the very case that the Senator recites here as an example. Mr. President, the officer of our Government told the absolute truth. A tramp steamer from England could carry that cargo, with his boat here with nothing to take back, very much cheaper than the American boat could carry it there and have nothing with which to return. We could not have put anything else than these products of cottonseed on board. That was the cargo, and a tramp steamer at any time can take—

Mr. McKELLAR. Oh, no; the Senator does not know the facts. The Senator is just absolutely without knowledge as to the facts in the matter. My constituents did not ask him anything in the world except for a price to charter that steamer. They did not fix any limitation. It was not a question of price. They merely asked to charter an American steamer, and they were deprived of the right. Mr. Smull did not make them a price. Indeed, he quoted the British price as being cheaper than the American price without ado. He was looking for the interest of British ships, not American ships.

I say that if we have that kind of officers in the Shipping Board, whether we pay them \$1 or whether we pay them \$35,000 a year, they ought to be discharged. I have said it before, and I say it again. They ought to be discharged. We ought not to have men of that kind in our employ. Why, that is what is the matter with our Shipping Board. That is what is the matter with our merchant marine, if the Senator will permit me just a moment. It has been charged that the chairman of the board has openly stated that the Shipping Board did not want business; they wanted to get out of business as soon as possible; and it is conceded, I think, that they do not believe in Government operation and do not want it to go on any more.

Mr. SMOOT. I will say to the Senator that the American ships that are operating are operating on regular courses; and as for taking one shipload of stuff to England, with no return freight, and having to secure a complete crew to operate the vessel, they could not possibly do it. They can not take a ship out of the regular advertised course for the purpose of running it upon another course to take just one cargo of merchandise.

Mr. McKELLAR. At the time this gentleman made that reply to me they had over 500 ships tied up in the ports along the Atlantic seaboard.

Mr. SMOOT. But they can not cast off a ship and run it to England and back without some men to run it.

Mr. McKELLAR. Of course; but there were 5,000,000 men out of employment then, under the administration of the Senator's party in this country, men without a job, men who would have been delighted to get a job to sail on the vessels, if the officers of the Government had been up to their proper business qualifications.

Mr. SMOOT. Oh, I did not refer to politics, and the Senator should not bring in politics. When we came into power that had happened; but to-day we have not men enough to fill positions in the Government of the United States. That was the cause of it, and that has been the result of it. But I did not rise to discuss politics. I rose to state to the Senator the exact situation.

Mr. McKELLAR. Now, I want to give full information to the Senator and to the Senate. On August 25, 1921, I received the following telegram:

[Telegram.]

AUGUST 25, 1921.

Senator K. McKELLAR,
Washington, D. C.:

Kindly make diligent inquiries of Shipping Board to ascertain how we may proceed to obtain by charter the services of an American steamer to handle full cargo about 3,000 tons cottonseed cakes late October, loading Houston, Tex., to two United Kingdom ports. We naturally desire secure rates somewhat lower than prevail for lesser quantities. Is there any just reason why we can not charter direct with Shipping Board?

HUGH HUMPHREYS.

On the same day I sent the following telegram:

[Telegram.]

AUGUST 25, 1921.

Mr. HUGH HUMPHREYS,
Memphis, Tenn.:

Telegram received. Called Shipping Board at once. Mr. Smull, in charge of allocation, out of city. Be here to-morrow. Mr. Robinson advises that you can get cakes hauled cheaper by British ships. Will see Mr. Smull when he returns and urge him to let you have ship and at less cost than the British ship.

KENNETH McKELLAR.

Here is the letter I wrote Mr. Smull that very afternoon:

AUGUST 25, 1921.

Mr. J. B. SMULL,
Shipping Board, Washington, D. C.

MY DEAR MR. SMULL: Inclosed please find telegram from Mr. Hugh Humphreys, of Memphis, Tenn., one of the best and most reliable merchants and brokers there, which telegram explains itself.

I have talked to your Mr. Robinson about the matter, and he did not give me much encouragement, saying that the British could haul the freight cheaper than the American ship could be chartered for. If everybody is told this, we might as well sink our ships. It seems to me that every effort should be made to have Mr. Humphreys charter this ship and haul his cottonseed cakes in it. Mr. Robinson told me that you would be back to-morrow, and I will be greatly obliged if you will advise me over the telephone as soon as you come to a conclusion about it.

I am wiring Mr. Humphreys, and inclose you a copy of my telegram.

Very sincerely yours,

KENNETH McKELLAR.

It will be seen that this letter and the two telegrams all occurred on the same afternoon. The next day Mr. Smull returned—Mr. Smull, the gentleman to whom we are paying the enormous salary of \$35,000 a year to look after the American ships and to look after American business on those ships. Here is the letter which I received from Mr. Smull and which I now read:

AUGUST 26, 1922.

"Hon. KENNETH McKELLAR,
United States Senate, Washington, D. C.

"MY DEAR SENATOR: I have just returned from New York in connection with the United States mail matters"—

He did not say whether they were giving contracts to foreign steamers or not, but at that time the foreign steamers carried the most of our mail. I reread that part of the letter:

"I have just returned from New York in connection with the United States mail matters, and find your letter of yesterday awaiting my attention.

"I regret I was not here to talk to you in person when you called on the phone yesterday. I have taken this matter up with Mr. Robinson, and while he may have explained himself very bluntly, facts are stranger than fiction, and the fact remains that all full-cargo tramp steamers under foreign flags can operate more cheaply than Shipping Board steamers.

"I might add that the conference rate for cottonseed cakes from the Gulf to the United Kingdom ports has been fixed by the American and British interests at \$10 per 2,240 pounds. The present market rate for a full-cargo tramp steamer in the same trade is approximately \$6.50 to \$7 per ton, and your constituent can probably obtain a foreign steamer at this figure. The Shipping Board would lose money on any steamer they put into this trade at this rate.

"Incidentally this explains to you why the Shipping Board is laying up its steamers as fast as they can be laid up, in order to stop losses, and this situation will only adjust itself with an improved condition in the general export situation.

"Very truly yours,

"J. B. SMULL, Vice President."

Here is what my constituent replied on August 29, 1921:

"I agree with you that the letter you sent is a remarkable one and is a complete admission of the inability of the Shipping Board to handle the ships of the country. In my own opinion, the trouble is that they have never handled themselves in a businesslike way and have never entered the shipping business as other shipping companies conduct their affairs. I simply can not understand why the boats are not leased or chartered to various shipping interests of the world, but instead are endeavoring to handle them in a most unbusinesslike way.

"The pre-war rate from Gulf ports to Europe was about 10 shillings. To-day the Shipping Board, with everything at about normal prices, confess they can not operate at more than four times that rate.

"Don't wake up the Washington office of the Shipping Board, but the conference rate, instead of being \$10 per ton, as stated in their wire, is \$8 per ton, and is being so quoted by all of their agents."

Here was a man operating the ships, being paid \$35,000 a year, and he did not know the rates and quoted the wrong rate. But he was careful to assert that British rates were cheaper. How can we fail to lose money when we have officers like that in charge?

Then my constituent went on to say—and he gave me permission to use this:

"We do not wish this mentioned, because it might result in their tying up still more steamers and allowing the American produce to rot or be sold at perfectly ridiculous prices because of their inability to properly operate the steamers.

"I wish you would send the original of the Shipping Board letter and my original telegram over to Senator McKELLAR, who is president of the Mississippi Valley Association, as I would like for him to see the total impossibility of Americans trying to do business in their own ships. The idea of admitting to other countries that we can not compete, and tying up our ships, is simply beyond my process of reasoning.

"With kind regards,

"Yours very truly,

"HUGH HUMPHREYS."

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. McKELLAR. Certainly.

Mr. LENROOT. I would like to ask the Senator who he would have operate our ships?

Mr. McKELLAR. I would certainly be able to find a man at a less salary than that who could manage it a great deal better than he did. I believe almost anybody who was put in charge of operation could go out and get cargoes and would perform better than Mr. Smull and his representatives performed on that occasion. That is the only actual experience I have had about obtaining ships.

Mr. LENROOT. Does the Senator take the position that to have efficient operation we must have men who have had experience with operation?

Mr. McKELLAR. I do.

Mr. LENROOT. Is not the Senator aware that whenever the Shipping Board has put an experienced man in charge of operation the charge was at once made that he has not been serving the Government, but the interests he had theretofore affiliated with?

Mr. McKELLAR. Will the Senator state that question again?

Mr. LENROOT. Whenever an experienced man has been put in charge, has not the charge been at once made that he is not serving the Government, but the private interests which he had theretofore been serving?

Mr. McKELLAR. I do not know. I do not make that kind of charges.

Mr. LENROOT. I know the Senator does not, but he is aware that the charge has been made publicly always.

Mr. McKELLAR. If the Senator says so, I take his word for it, but I have not made any such charge, and, so far as I recall, no one has made it to my knowledge. I think some of those kinds of statements were made in the newspapers occasionally. I never have paid any attention to those things.

But here was one of the leading merchants of my home city who sent me a telegram like that. I do not think there was over half an hour elapsed between our telegrams. I immediately called up the Shipping Board and was given a rebuff like that, *was told to go to the British vessels*; that they could run cheaper than our vessels can; that the board did not want the business anyhow. That was a jar to me, as it would have been to the Senator if it had occurred to him.

Mr. LENROOT. One further question. Assuming that the statement is correct; that whatever may have been the fault of somebody, it could have been carried in a British ship very much cheaper than in an American tramp ship. Was the party who

wrote the letter to the Senator serving the Government or not in saving the Government that money at the same time the Senator's constituent was getting the service?

Mr. McKELLAR. If the Senator will recall the telegram of my constituent, he will remember that my constituent paid very little attention to the price. *He wanted the goods hauled in an American vessel.* He said he thought that the price ought to be less when they took a full cargo, and I imagine that would occur to any business man. With that sort of statement there was no limitation on it. The man of business would have said, "Why, Senator, a tramp steamer like that will cost your constituent so much, and you can wire him that price. If it is satisfactory to him, we will be very glad, indeed, to let him have it." He might have said that much to me anyway. If I was in the shipping business and wanted to get business, I would be very careful about how I turned down a full cargo of anything. This man did not want business.

I would certainly look into it very carefully, and yet here was a man who just off the reel, without any consideration or explanation, without any knowledge, because he did not have any knowledge about it, refused the business. It is in line with what has been done all the time. Every ship they can lay up has been laid up, and we have many hundreds of them tied up. My judgment is that every tramp steamer that could be put to work from the very beginning ought to have been put to work. We ought not to give up the trade to anyone. If we are going to have a merchant marine that is a success, we have got to fight for the business from start to finish. We have great competitors. We have experienced competitors. We have competitors who have been in the ocean-carrying trade for hundreds of years. We have got to fight like Trojans to take part of that business. We will never have an ocean-carrying business until we get men in charge of it who believe we ought to get the business, and who are willing and capable to fight for it.

Mr. LENROOT. Is it the Senator's view that we should operate all of our ships irrespective of the losses incurred?

Mr. McKELLAR. Oh, no; not at all. I do not think we ought to operate any of them at a loss. I believe if a bill was passed such as I have proposed as a substitute for the bill offered by the Senator from Washington, which incorporates probably three-fourths of the provisions of the bill which he has offered, that instead of operating our ships at a loss the Government would make great profit from the operation of them.

Mr. LENROOT. Does the Senator think the Shipping Board can operate ships to-day at a profit?

Mr. McKELLAR. No; I doubt it to-day, although some lines are operating at a profit. The reason why I say no is because the shipping business is at the lowest ebb this year that it has ever been in its history.

Mr. LENROOT. But the Senator criticizes the Shipping Board for laying up a ship, and at the same time he says he does not feel that they can be operated at a profit. Therefore, the conclusion must be that the Senator thinks all of these ships should be run at a loss.

Mr. McKELLAR. Oh, no; the Senator does not understand my position at all, and does not state it correctly.

Now, Mr. President, I have digressed for some time and longer than I intended, but I want to call the attention of the Senator from Iowa [Mr. CUMMINS] to another point in connection with the subject of the filibuster. I want to read another excerpt from his language which is a very strong statement from the Senator's excellent speech of February 16, 1915. It applies so very aptly to the pending bill that I can not refrain from quoting it. I read from page 3842 of the Record:

"There has never been a moment of real debate in this Chamber upon the bill now before us, because real debate involves a mind that is willing to listen, involves the opportunity at least for conviction and for change of opinion. Since the action of the caucus, so far as those who have regarded themselves as bound by it are concerned, there has never been an hour in which any discussion of the question would avail those who were participating in it. I do not know how many of these Members are in fact opposed to this measure. I do not know that. I do not propose to say. I only say that we are operating under a rule of the caucus which enabled or is intended to allow 36 members of the caucus to control the action of 53 members."

Now, that same condition exists to-day. There has never been any debate on the bill on the part of those who proposed it with the exception of the Senator from Washington. He discussed it on one occasion.

Mr. CUMMINS. The Senator has not given him any chance, has he?

Mr. McKELLAR. Oh, yes. Indeed, I have yielded, hurried through all day to-day. I gave him a great deal of time to-day and am willing to give him more time if he wants it. I am willing to give him all the time he wants. He can take some of my time if he likes. But the Senator from Washington is virtually the only Senator on the other side of the Chamber who has really discussed this bill.

Mr. President, the Senator from Iowa's position is entirely right; I indorse it. There has been no discussion of this bill. The truth of the business is that it has been agreed upon by party leaders, and, in my judgment, the majority of the Senators on the other side of the Chamber are voting for it not because they believe in it, for I do not believe they do, but they are voting for it simply because they have been asked by their own President to vote for it.

Mr. CUMMINS. I understand the Senators on the other side of the Chamber do not care to give anyone a chance to vote on it.

Mr. McKELLAR. I doubt very much whether the bill will be voted on at this session, I will say to the Senator without violating any confidence; but, however that may be, if the President or anyone else wants a vote by the Members of the Congress who have been elected on that issue, there will be no trouble about getting such a vote.

Mr. CUMMINS. We could not do that now, could we?

Mr. McKELLAR. No. We can not do that now until next December, unless an extraordinary session is called. If the ship subsidy bill is so important a matter as the President says it is, if it is important enough to bring the President before the Congress twice within a period of three months, if it seems to him so important, let him call an extraordinary session, although I devoutly hope and pray that he may not do it.

Mr. CUMMINS. I do not understand the Senator. He says he hopes and prays that the President will not call the new Congress together?

Mr. McKELLAR. I have not had a vacation in many years, and, personally, I am very much opposed to an extraordinary session.

Mr. CUMMINS. But the Senator ought not to put his own personal comfort in the way of the public good.

Mr. McKELLAR. I shall not do so. If the President shall call an extraordinary session, I shall be here every day, just as I have been during the present session. I will make my personal comfort entirely subordinate.

Now, Mr. President, I wish to refer to another matter. Why the necessity of pressing this bill at this time? A morning newspaper stated that if we did not pass the bill it would show the lack of the ability of the Senate to do business. Mr. President, this is a Republican Congress and I am a Democrat, but I wish to say that there has not been a short session of Congress since I have been a Member—and I have been a Member for 12 years—that ever transacted the real business before it, which consists of the appropriation bills, any more efficiently, any more quickly, than the present Congress has done. We have done a marvelous business. We Democrats have helped in every way the passage of all supply measures. There never was a time in my recollection when the appropriation bills had all been passed at this stage of the short session of Congress.

Mr. HEFLIN. I am sure that my good friend does not mean to indorse many of the measures which this Congress has passed?

Mr. McKELLAR. Oh, no. I certainly do not. I will come to that. I indorse some of the measures it has passed, but I have indorsed much more the defeat of others. Of course, we have all cooperated, Democrats as well as Republicans, to get the appropriation bills passed. We all wanted them passed, for that was the real business of the session. Perhaps we ought not to have gone beyond them anywhere, but the President insisted that there was other work for us to do.

He presented a Liberian loan bill here which if passed would have voted \$5,000,000 in the pockets of a favored few and allowed men whose debts were outlawed to collect them. Congress never did better work than when it defeated that bill. I indorse that defeat. Then came the no less outrageous Dyer antilynching bill. The Senate defeated that bill. I indorse that defeat. Now, if it will cap the climax by defeating this infamous raid upon the Treasury of the United States I shall say that it has done better business than any short session of Congress since I have been a Member of Congress.

I say that with some misgivings, because last week a bill was passed here by an enormous majority to which I was absolutely opposed. I regret its passage. It was a poor business. But tak-

ing it by and large, no short session of Congress has ever gotten along faster with the Nation's business than the present short session has gotten along with it, and all this was brought about by Democratic cooperation.

Mr. HARRISON. Mr. President, before the Senator from Tennessee closes, if he is getting ready to conclude—

Mr. McKELLAR. Mr. President, I have not nearly finished, though I am hurrying on very rapidly.

Mr. HARRISON. If the Senator will permit an interruption, I desire to say that there was a statement made by the senior Senator from Utah [Mr. Smoot] a few moments ago in his colloquy with the Senator from Tennessee [Mr. McKELLAR] that I think is misleading and inaccurate. It was when the Senator from Tennessee referred to the unemployment situation in this country in 1921. I am sorry the Senator from Utah is not now in his seat, because I am sure he would correct the statement he then made.

The Senator from Utah stated that the Democratic administration handed over to the present administration the great problem of unemployment. If the Senator will permit me to interrupt him further, I desire now to state the facts, and I make the statement merely to keep the record straight.

In August, 1921, some time after the present administration came into the control of the Government, in response to a resolution which was passed by the Senate asking for certain statistics from the Department of Labor, the Secretary of Labor sent a report to this body. I wish merely, for the sake of the Record, to read a part of that report, with the permission of the Senator from Tennessee. The Secretary of Labor stated:

"Responding to the requirements of the above resolution the best estimate that can be made from available sources of information is that there are at present 5,735,000 persons unemployed in the United States. These figures relate to the differences in the numbers of employees carried on pay rolls July, 1921, as compared with the peak of employment in 1920. Figures of the unemployed by industries are:

Manufacturing and mechanical industries (including building trades).....	3,900,000
Mining.....	250,000
Transportation.....	800,000
Trade and clerical workers.....	450,000
Domestic and personal service.....	335,000
Total.....	5,735,000

"No estimates can be given as to the number of ex-service men unemployed, as the reports covering pay roll data do not segregate them. The same applies to women workers.

"This total must be accepted, of course, as an estimate. It is practically impossible to get exact figures of persons out of work except by an actual count upon a given date, which is, of course, prohibitive by reason of its cost. The Department of Labor, through the United States Employment Service, in January, 1921, estimated that there were 3,473,446 less workers employed in January, 1921, than in January, 1920, and that this was a reduction of 36.9 per cent. For the succeeding six months between January and July, 1921, the number of names on the pay rolls covered by that service decreased 7.3 per cent. There was a decrease of 1.1 per cent between June and July, 1921. This reduction, added to the estimate of unemployment for January, 1921, indicates 3,906,450 less workers employed in industry in July, 1921, than in January, 1920."

Mr. CURTIS. Mr. President, if the Senator from Mississippi wishes to give information in answering what the Senator from Utah [Mr. Smoot] stated, I shall not make any point as to who has the floor.

Mr. HARRISON. Yes; I am sure the Senator desires the information.

Mr. CURTIS. The unemployment situation in 1921 was all brought about by virtue of conditions which were left by the former administration, and we are perfectly willing that the country should know the facts.

Mr. HARRISON. Yes; the Senator says it was by virtue of that; but the Senator from Utah said that there was this great unemployment at the time that the present administration took charge, and yet here is a report made by the Secretary of Labor, of the Senator's own party, in August, 1921, which shows that 5,735,000 men were out of employment. I shall ask that this report be incorporated in the Record.

The PRESIDING OFFICER (Mr. SMITH in the chair). Is there objection?

Mr. McKELLAR. I have no objection if it will not take me off the floor.

Mr. CURTIS. It is already in the Record, is it not?

Mr. HARRISON. Then I will say that it appears in the CONGRESSIONAL RECORD of August 16, 1921, pages 5037, 5038, and

5039, volume 61, Part V, Sixty-seventh Congress, first session—

Mr. FRELINGHUYSEN. And is in a red bound book.

Mr. HARRISON. With that information anyone who may be interested may turn to the pages and read further. I always like to quote Republican authority.

Mr. CALDER rose.

Mr. HARRISON. I was just going to say to the Senator from New York, who is now on his feet, that I notice from the report from the Secretary of Labor, made at that time, that in the State of New York there were 424,716 persons unemployed.

Mr. CALDER. Mr. President, I was going to ask the Senator from Mississippi a question, if the Senator from Tennessee will permit me.

Mr. McKELLAR. I am willing to yield, if it will not interfere with my right to the floor.

Mr. CALDER. I was just about to ask the Senator to permit me to obtain from the Department of Labor to-morrow a statement as to labor conditions to-day and to incorporate them in the Record following his statement as to conditions in 1921.

Mr. HARRISON. Very well. I will be very glad to have that done.

Mr. CALDER. The Senator referred to the unemployment situation in New York. I will say to the Senator that to-day—

Mr. HARRISON. I only referred to what the Secretary of Labor of the Senator's own party had said.

Mr. CALDER. I will say to the Senator that to-day nobody is out of employment in New York.

Mr. HARRISON. I am very glad to hear that, and I hope that will apply to the Senator himself who retires from the Senate on the 4th of March. [Laughter.]

Mr. CALDER. I will say to the Senator in response to his suggestion that the Senator from New York is one of the "lame ducks" who is not looking for a job—

Mr. HARRISON. And who is beloved by all of us.

Mr. CALDER. For he has a job in New York City at his own business waiting for him.

Mr. HARRISON. I knew that.

Mr. McKELLAR. May I say to the Senator from New York that there is not one of the lame ducks or anyone else that I would rather vote to confirm to any position with which the President might honor him than I would to confirm the nomination of the junior Senator from New York.

Mr. CALDER. It is very nice for the Senator to say that but the President will not appoint me, because I do not want any place of any character at this time.

Mr. McKELLAR. It does not need that to get the Senator's vote for the ship subsidy bill.

Mr. CALDER. No; it does not.

Mr. HARRISON. I was going to say further with respect to unemployment that I notice on February 15, 1922, last year a very distinguished Republican Senator, who is now with us no more but is presiding over some judicial tribunal—I refer to former Senator Kenyon, of Iowa—made a speech on the floor of the Senate in which, among other things referring to unemployment, he said:

"The Senator will remember that in the conferences that took place the statement was made that there were over 5,000,000 men out of employment in this country. That was denied; it was disputed. A gentleman connected with the Government, who has made a great study of this matter, told me a couple of weeks ago that there were 7,000,000. There is absolutely no way, apparently, of getting authentic statistics now. This would enable the Secretary of Commerce to utilize every available fact he could get bearing on the question."

I am sorry to have interrupted the Senator from Tennessee, but I wanted these facts to go in the Record at this time.

Mr. McKELLAR. Mr. President, I had intended absolutely to substantiate our position on this bill by quoting from some of the speeches which were made in 1915 against the ship subsidy bill by some of our Republican friends, but I have had to hurry along and have not yet had an opportunity to cite the quotations. To-morrow or at some subsequent time I desire to finish what I wish to say and to quote to some extent from these eminent gentlemen, and to comment briefly upon what they have said.

By the way, Mr. President, before I proceed further, may I make a parliamentary inquiry at this time?

The PRESIDING OFFICER. The Senator will state his parliamentary inquiry.

Mr. McKELLAR. If I yield the floor now and desire either to-morrow or the following day to continue, will I have the right to do so?

Mr. CURTIS. I presume that depends upon whether or not the Senator comes within the rules. The rule provides that a Senator shall not speak more than twice on the same day.

Mr. McKELLAR. I have spoken but once.

Mr. LA FOLLETTE. On the pending motion.

The PRESIDING OFFICER. The Chair would rule that if it is the same legislative day the Senator would have the privilege of the floor for a second time if he obtained recognition.

Mr. LA FOLLETTE. That is on the pending motion.

The PRESIDING OFFICER. On the pending motion.

Mr. McKELLAR. I may continue to-morrow.

Mr. President, before I conclude there is an authority to which I wish to refer very briefly—

Mr. CURTIS. Could not the Senator complete his remarks this evening? We are all anxious to hear what he has to say.

Mr. McKELLAR. I am quite sure that the Senator is, but that would depend upon whether the Senator would want to adjourn too quickly. If he did not want to recess right away, I might continue.

Mr. CURTIS. We thought we would sit until 4 o'clock in the morning so as to give the Senator plenty of time.

Mr. McKELLAR. We might possibly get along by staying until that time.

Mr. FLETCHER. We might have a somewhat larger attendance if Senators are anxious to hear the Senator.

Mr. McKELLAR. I will forego for the moment the pleasure of quoting from my good friend, the Senator from Massachusetts [Mr. LODGE], so that I may quote from a speech of the chairman of the Committee on Commerce on the very subject concerning which the Senator from Kansas made his inquiry a moment ago. I quote from the speech made by the Senator from Washington [Mr. JONES] on February 8, 1915, when he said:

"If I should occupy this floor from now until the 4th day of March, no matter what the results might be to me, feeling as I do about it, I think I would be doing nothing more than my duty to the people who have honored me with a place on this floor."

I indorse that statement as being applicable to the present situation, as I see it. If I were to occupy the floor until the 4th of March I would be doing what I believe to be for the best interests of the people of the United States. The Senator from Washington went on to say:

"No greater calamity could come to this country than for us to be involved in this struggle, and I want to say, in all frankness, to our friends on the other side that this bill shall not pass if there is any possible way in which I can prevent it."

I quote those words of the distinguished chairman of the Committee on Commerce as applicable to my views on this bill.

Mr. President, before I close I wish to read a short excerpt from a speech made on the same day, namely, the 8th day of February, 1915, by the Senator from Massachusetts [Mr. LODGE]. At that time he said:

"Further, Mr. President, we have been joined in our opposition by seven Senators of an opposite political faith."

We on this side have been joined by more than that many Senators of the opposite political faith. The Senator from Massachusetts continued:

"I have sat here and heard those seven Senators villified as I have never heard Senators attacked in this Chamber before; and yet no man can imagine any motive actuating those men in the course they took which could have any personal advantage. All the personal advantage was the other way. If ever it was clear that men took a position because they felt it to be their duty to do it and did it with the utmost reluctance and were guided by their conscientious convictions, it was those men. I believe and I know they are actuated by the same feelings that we are in presenting the opposition to this bill, namely, that we believe it is a bill dangerous in present conditions to the peace and safety of the United States."

"Some of us, of course, are utterly opposed to Government ownership, especially on the ocean, and, above all, we are opposed to Government ownership at this time. We do not, we can not, tamely accept the proposition that such a bill as this should be passed and its provisions carried out by the purchase of these German ships, which has been the underlying and the stimulating cause of this bill from the beginning, around which there are dark suspicions and sinister stories. With that pur-

pose in view, it seems to us that the passage of this bill would bring this country within measurable distance of war as soon as those ships are set afloat, and the German notice broadens it into a danger to any Government-owned ships."

That is all I desire to say at this moment. I shall take occasion later on to discuss these instructions more fully, more adequately, and as their importance deserves.

In other words, the Senator from Massachusetts, because he believed the shipping bill was wrong, joined in the filibuster against it, and aided in its defeat by a filibuster, and so did the Senator from New Hampshire, Mr. Gallinger, and so did the Senator from Delaware, Mr. du Pont, and so did most of the Republican Party; and they had no mandate of the people to uphold them in that filibuster as we have in this. We have a mandate from the people to defeat this bill. They voted against it in the last election, and it is our duty, as I conceive it, and it is not only my duty to my constituents, but it is in accord with the promises that I made on every stump in Tennessee on the last campaign, that I would vote against it, work against it, speak against it, and, if necessary, filibuster against it.

Mr. President, I have taken longer than I expected, and I now yield the floor.

During the delivery of Mr. McKELLAR's speech,

SWORD OF GEN. RICHARD MONTGOMERY.

A message from the House of Representatives, by Mr. Overhue, its enrolling clerk, announced that the House had passed a joint resolution (H. J. Res. 460) accepting the sword of Gen. Richard Montgomery, in which the concurrence of the Senate was requested.

The PRESIDING OFFICER (Mr. MOSES in the chair). The Chair lays before the Senate a joint resolution from the House of Representatives.

The joint resolution (H. J. Res. 460) accepting the sword of Gen. Richard Montgomery was read the first time by its title.

Mr. WADSWORTH. May it be read at length? It is very brief.

Mr. McKELLAR. With the understanding that it is not to interfere with my right to the floor, I will be glad to yield to the Senator from New York for that purpose.

The joint resolution was read the second time at length, as follows:

Resolved, etc., That the sword of Gen. Richard Montgomery, which he wore when he fell at the siege of Quebec, on December 31, 1775, be accepted in the name of the Nation from the donor, Miss Julia Barton Hunt, whose generosity is deeply appreciated, and that the sword be deposited in the National Museum.

Mr. WADSWORTH. I ask unanimous consent that the Senate proceed immediately to the consideration of the joint resolution, without its reference to a committee.

Mr. McKELLAR. With the understanding that it is not to interfere with my right to the floor, I yield.

The PRESIDING OFFICER. Is there objection?

There being no objection, the joint resolution was considered as in Committee of the Whole.

The joint resolution was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

Mr. WADSWORTH. May I impose upon the good nature of the Senator from Tennessee for just a moment longer?

Mr. McKELLAR. With the same understanding, I yield.

Mr. WADSWORTH. I ask that there be printed in the Record in this connection in 8-point type an article which appeared in the year 1885 in Harper's Magazine descriptive of General Montgomery's career and of the battle in which he lost his life.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The article is as follows:

[From Harper's New Monthly Magazine, February, 1885.]

GENERAL RICHARD MONTGOMERY.

(By Louise Livingston Hunt.)

Among that small band of military leaders who shared the perils of our early struggle for independence, the name and fame of Richard Montgomery should be held especially dear by the people of New York. He has been dead more than a hundred years, and although his memory is revered by the American people, little is generally known of his personal history.

Sparks's American Biography contains a memoir of Montgomery. This was written by his brother-in-law, John Armstrong, who was Secretary of War in the Cabinet of President

Madison, and was known as a man of distinguished talents, well qualified as a military critic. This biography, however, is wanting in such personal details as the flight of time, and the circumstances of Montgomery's character, no less than his untimely fate, have rendered of uncommon interest to the reader of American history. Another sketch of Montgomery, by Brevet Major General Cullum, United States Army, appeared in 1876. While this is no doubt very valuable, owing to the military reputation of the author and the professional view which he takes of the services of Montgomery, it is largely indebted to the first memoir already noticed. It also is wanting in particulars of his private life.

It is not my province to discuss the professional merits of General Montgomery, or even to attempt any consecutive narration of his campaign in Canada. My purpose is to string together the accounts that have been furnished by the letters and manuscripts preserved at Montgomery Place and to bring my readers into closer acquaintance with the hero of Quebec.

General Montgomery was born on the 2d of December, 1738. He was by birth an Irishman. In his youth he served in the British Army during the French and Indian War. On his return to England after the close of the seven years' conflict he is said to have formed friendships with Fox, Burke, and Barré, becoming deeply imbued with their views of the rights of the Colonies. Superseded and disappointed in the purchase of a majority, he left England forever.

While still a captain in the British Army, Montgomery had met Janet Livingston, the daughter of Robert R. Livingston, one of the judges of the King's Bench. He was on his way to a distant post, and had come on shore with all the officers of his company at Clermont, Judge Livingston's country place on the Hudson. Subsequently, when he returned to settle in America, he renewed his acquaintance with her and, with the approbation of her parents, married her in July, 1773. Among the papers before me are the letter of Montgomery to Judge Livingston asking for the hand of his daughter and Judge Livingston's reply.

KINGSBRIDGE, May 20, 1773.

SIR: Although I am extremely anxious to solicit your approbation, together with Mrs. Livingston's, in an affair which nearly concerns my happiness and no less affects your daughter, I have nevertheless been hitherto deterred from this indispensable attention by reflecting that from so short an acquaintance as I had the honor to make with you I could not flatter myself with your sanction in a matter so very important as to influence the future welfare of a child. I therefore wished for some good-natured friend to undertake the kind office of giving a favorable impression; but finding you have already had intimation of my desire to be honored with your daughter's hand, and apprehensive lest my silence should bear an unfavorable construction, I have ventured at last to request, sir, that you will consent to a union which to me has the most promising appearance of happiness, from the lady's uncommon merit and amiable worth. Nor will it be an inconsiderable addition to be favored by such respectable characters with the title of son, should I be so fortunate as to deserve it. And if to contribute to the happiness of a beloved daughter can claim any share with tender parents, I hope hereafter to have some title to your esteem.

I am, sir, with great respect, your most obedient servant,

RICHARD MONTGOMERY.

CLAREMONT, 21 June, 1773.

SIR: I received your polite letter by the hands of Mr. Lawrence at Poughkeepsie, from whence I returned last night.

I was then so engaged in the business of court, both night and day, that I had no time to answer it, and though I would have stolen an hour for that purpose, it required a previous consultation with Mrs. Livingston.

Since we heard of your intentions, solicitous for our daughter's happiness, we have made such inquiries as have given a great deal of satisfaction. We both approve of your proposal and heartily wish your union may yield you all the happiness you seem to expect, to which we shall always be ready to contribute all in our power. Whenever it suits your convenience we hope to have the pleasure of seeing you here, and in the meantime I remain, with due respect,

Your most humble servant,

ROBERT R. LIVINGSTON.

Mrs. Montgomery wrote a series of notes to be used for a memoir of her husband. The limits of this article permit only a few gleanings from this quaint and interesting manuscript:

"General Montgomery was born in Dublin, and was educated in the College of Dublin. His father, Thomas Montgomery, of Convoy House, Donegal, had three sons, Alexander, John, and Richard, and one daughter married to Viscount Ranelagh. The eldest son, Alexander, was an officer under Wolfe in the con-

quest of Canada, and for 40 years member of Parliament for the county of Donegal. John died at Lisbon a noted merchant. Richard was the third son. Their mother was an English lady of fortune whose estate was settled on her younger sons, the eldest son having inherited the estate of his uncle. Richard was placed in the British Army, in the Seventeenth Regiment, by the advice of his brother, Alexander, his senior by many years. Richard was at the taking of Cape Breton with Amherst. Alexander marched to reenforce Wolfe.

"The duty of the Seventeenth Regiment was in America. For this reason, when the stamp act was to be enforced an order was given to employ that regiment, then in England, which Montgomery, receiving with several others, declared publicly that they would throw up their commissions if the order were persisted in. In 1772-73 he came to New York, purchased a farm at Kingsbridge, and in July, 1773, was married. He then removed to Rhinebeck, where he built a mill and laid the foundation of a house.

"Unknown, as his modesty led him to suppose himself to be, he was chosen early in 1775 one of the Council of Fifty to New York from Dutchess County. While thus engaged Congress determined to raise troops in defense of our rights. Philip Schuyler was appointed the major general, and the appointment of brigadier general was tendered to Montgomery. Before accepting it he came into his wife's room and asked her to make up for him the ribbon cockade which was to be placed in his hat. He saw her emotion, and marked the starting tear. With persuasive gentleness he said to her: 'Our country is in danger. Unsolicited, in two instances, I have been distinguished by two honorable appointments. As a politician I could not serve them. As a soldier I think I can. Shall I, then, accept the one and shrink from the other in dread of danger? My honor is engaged.' Mrs. Montgomery took the ribbon, and he continued: 'I am satisfied. Trust me. You shall never blush for your Montgomery.'

"He had hardly received his appointment when it was announced that General Washington was to pass through New York on his way to Boston. On the morning of his expected arrival the whole town was in a state of commotion. All the militia was paraded, bells ringing, drums beating, and in that moment the British Governor Tryon arrived. As he landed he looked with delight at the general excitement that prevailed, and said: 'Is all this for me?' when two of his counselors took him mournfully by the hand and led him to a house where he saw the great Washington pass, attended by a crowd of patriots. At a window next to the City Hotel I was happily so placed that I could see him. Here General Schuyler and General Montgomery received their commissions and instructions. The next day, when Montgomery opened his commission, he found all the commissions of his brigade left in blank. Such was the trust reposed in him."

Two years of quiet and domestic happiness were broken in upon by Montgomery's being sent as a delegate to the First Provincial Convention, held in New York in April, 1775. He never thought himself fit for civil service, and with reluctance took the place assigned him. But his heart was in the movement. With such feelings of ardent devotion did he give himself up to the cause of American liberty, that when called upon by Congress to quit the retirement of his farm in order to become one of the first eight brigadier generals, he wrote to a friend "that the honor, though entirely unexpected and undeserved, he felt to be the will of an oppressed people, which must be obeyed"; and he accordingly went immediately into active service.

Mrs. Montgomery accompanied him on his way as far as Saratoga. In after years their parting was described as follows by his brother-in-law, Edward Livingston, who was at the time a boy of 11: "It was just before General Montgomery left for Canada. We were only three in the room—he, my sister, and myself. He was sitting in a musing attitude between his wife, who, sad and silent, seemed to be reading the future, and myself, whose childish admiration was divided between the glittering uniform and the martial bearing of him who wore it. Suddenly the silence was broken by Montgomery's deep voice, repeating the line, 'Tis a mad world, my masters,' 'I once thought so,' he continued, 'now I know it.' The tone, the words, the circumstances, overawed me, and I noiselessly retired. I have since reflected upon the bearing of this quotation, forcing itself upon the young soldier at that moment. Perhaps he might have been contrasting the sweet quiet of the life he held in his grasp with the tumults and perils of the camp which he had resolved to seek without one regretful glance at what he was leaving behind. These were the last words I heard from his lips, and I never saw him more."

I turn next to the letters written by General Montgomery to his wife during his last brilliant and memorable campaign.

The correspondence was not voluminous; at that time communication between Canada and New York was slow and difficult. In the most favorable weather the sloops which plied the Hudson required a week to go from Albany to New York. On comparison of dates, some of the letters prove to have been two months on the way from Montreal or other parts of Canada to Rhinebeck, where Mrs. Montgomery lived.

These letters show him to have been blunt and straightforward, yet affectionate, and on occasion fond of a joke at home.

"If you find you can be spared," he wrote, June, 1775, "and wish to make a trip to New York, and will not stay too long, I shall be very glad to see you. I dare say Peggy and Kitty"—his wife's sisters—"will not dislike the jaunt."

"FROM TICONDEROGA, August 24, 1775.

"I have received yours from Albany and the cask of rum. Ticonderoga agrees very well with me. I have a great deal of exercise both of body and sword. The New Englanders and I jog on very well together, and I go to prayers every evening with them after exercise is over. The general is gone to the Indian congress, so that for a few days I am in command, though without the difficulties he had to struggle with, as he had before put matters in proper train.

"As for house or home (except yourself), I have hardly time to lend a thought. Be assured of my warmest affection, my dearest girl, and accept my warmest wishes for your happiness."

A letter dated from Camp St. Johns in September, 1775, betrayed a soldier's impatience at his wife's complaints at the prolonged separation from him: "I must entreat the favor of you," he wrote to her, "to write no more of those whining letters. I declare if I receive another in that style, I will lock up the rest without reading them. I don't want anything to lower my spirits; I have abundant use for them all, and at the best of times I have not too much."

The following letter gives evidence of his keen sense of duty in the distribution of office, which no tie of consanguinity could affect in any manner whatsoever:

"This very evening (October 9, 1775, near Camp St. Johns) I received my dear Janet's letters to the 23d of September, which bring me the agreeable news of your recovery. I hope to have the same account of your good father and mother, whose health and happiness I think myself deeply interested in. You are right. I most certainly might have advanced Harry to a majority. Disinterested and generous motives will forever, I hope, prevent me from serving myself or family at the expense of the public. Though a spirited fellow, he has not experience for such an important post. I grant there are others as bad and worse. This is not my doing; nor will I ever have such a weight on my conscience."

The uncommon sympathy that existed between his wife's family and himself is a striking feature of this short correspondence. There are constant messages of remembrance for them, all interwoven with the news from the camp and in the midst of the most harassing events and circumstances.

"I have no time to write to your father," he wrote from Montreal on the eve of his departure for Quebec. "My most affectionate respects attend the old gentleman and lady. My love to the girls. Do they go to town? No husbands this winter? Alas! I live in hopes to see you in six weeks."

The last letter of the collection bears the date of the 5th of December, 1775. It was written just a fortnight before his death and is as follows:

"HOLLAND HOUSE, NEAR QUEBEC, December 5.

"MY DEAR JANET: This day I had the pleasure of yours of the 13th of October. I think your letters are a long time on the road. I believe I have now the right to complain, as I am sure you don't write as often as I do.

"I suppose long ere this we have furnished the folks of the united colonies with subject matter of conversation. I should like to see the long faces of my Tory friends. I fancy they look a little cast down, and that the Whig ladies triumph most unmercifully.

"The weather continues so gentle that we have been able, at this late season, to get down by water with our artillery, etc. They are a good deal alarmed in town, and with some reason. The garrison is little to be depended upon, and very weak in proportion to the works. I wish it were well over, with all my heart, and sigh for home like a New Englander.

"I shan't forget your beaver blanket if I get safe out of this affair, nor your mother's martin-skins. Present my affectionate duty to her, and make her easy respecting Harry. He has by no means given any offense, though some uneasiness, by some little imprudence. I am glad to hear your house is in such forwardness. May I have the pleasure of seeing you in it soon! Till then, adieu!"

General Schuyler's health did not permit him to conduct this campaign, as had been intended. He relinquished the command of the forces to General Montgomery at Isle aux Noix. There was insubordination among the troops. Montgomery's energy and dauntless will were more than equal to the emergency. He had great trouble with the New Englanders. All seemed thoroughly demoralized, the New Yorkers as well as the others. "O fortunate husbandmen!" wrote Montgomery, "would I were at my plough again!" He was thoroughly disgusted with them all. However, his course through Canada was a triumphant one, and notwithstanding all his difficulties, success followed in his footsteps. "I have courted fortune," he wrote in another letter, "and found her kind. I have one more favor to solicit, and then I have done; till Quebec is taken, Canada is unconquered." Chief Justice Marshall states that Montgomery "had determined to withdraw from the Army, and had signified, before marching from Montreal, his resolution to resign the commission which had been conferred upon him."

Marshall adds, as a probable incentive to the storming of Quebec, that he had "the desire of closing his military career with a degree of brilliancy suited to the elevation of his mind by the conquest of Canada to the United States." "Fortune," he said, "favors the brave." Little had he then contemplated failure, or his own approaching end. In a conversation which he had with one of his aids-de-camp shortly before the storming of Quebec, he had indulged in meditations on his own life and spoke of his loss of ambition, a sense of duty being alone left as his spring of action. He longed to return to the retirement of his country life, though he said he "would always be ready to contribute to the public safety should the scene change and his services be again required." He was convinced that there was, as he said, "a fair prospect of success," and, notwithstanding the perils of his situation, his hopes ran high and his soul was undaunted. It has been said that he knew the fortifications well, because he had been with Wolfe at the taking of Quebec. This is a mistake. He was in the British Army in Canada at the time but not with Wolfe, having been ordered to follow Amherst with his regiment. This error probably originated from the fact that Alexander Montgomery, the general's eldest brother, was with Wolfe at Quebec.

It was at 4 o'clock in the morning of December 31, 1775, during a violent snowstorm, that the attack on Quebec was made. The little American army had undergone inexpressible hardships during the campaign, and the soldiers were half starved and half naked. It took all the magnetic power of Montgomery to stir them into renewed action. "Men of New York," he exclaimed, "you will not fear to follow where your general leads; march on!" Then placing himself in the front he almost immediately received the mortal wound which suddenly closed his career.

Thus fell Richard Montgomery, at the early age of 37. Three weeks before his death he was promoted to the rank of major general. Young, gifted, and brave, he was mourned throughout the country, at whose altar he had offered up his life—apparently in vain; for his fate decided the battle in favor of the British.

The story that he was borne from the field of battle by Aaron Burr, under the continued fire of the enemy, has always been received with doubt. It may now, upon the highest authority, be pronounced to be without foundation.

It was rumored, but not ascertained by the British for some hours, that the American general had been killed. Anxious to ascertain, General Carleton sent an aid-de-camp to the seminary, where the American prisoners were, to inquire if any of them would identify the body. A field officer of Arnold's division, who had been made prisoner near Sault au Matelot barrier, accompanied the aid-de-camp to the Prés de Ville guard and pointed it out among the other bodies, at the same time pronouncing in accents of grief a glowing eulogium on Montgomery's bravery and worth. Besides that of the general, the bodies of his two aids-de-camp were recognized among the slain. All were frozen stiff. General Montgomery was shot through the thigh and through the head. When his body was taken up his features were not in the least distorted, his countenance appeared serene and placid, like the soul that had animated it. His sword, the symbol of his martial honor, lay close beside him on the snow. It was picked up by a drummer boy, but immediately afterwards was given up to James Thompson, overseer of public works and assistant engineer during the siege, who had been intrusted by General Carleton with the interment of the body. Through the courtesy of the British general, Montgomery was buried within the walls of Quebec with the honors of war.

General Montgomery's will had been made at Crown Point on the 30th of August, soon after the commencement of his last campaign. The authenticity of this document is attested by the

signature of Benedict Arnold. It is still in existence, and reads as follows:

THE LAST WILL AND TESTAMENT OF RICHARD MONTGOMERY.

I give to my sister, Lady Ranelagh, of the Kingdom of Ireland, all my personal fortune for her sole use, to be disposed of as she pleases, except such legacies as shall be hereafter mentioned. All my just debts must first be paid. Also, I give my said sister my estate at Kingsbridge, near New York, for her sole use, to be disposed of as she thinks fit. To my dear wife, Janet Montgomery, I give my furniture, farm utensils, carriages of all sorts, horses, cattle, shares, books (to this watch, mathematical and philosophical instruments, and apparatus).

I also leave to my said wife the farm I purchased from Shares, at Rhynebeck, with horses and everything upon it.

The ample fortune which my wife will succeed to makes it unnecessary to provide for her in a manner suitable to her situation in life and adequate to the warm affection I bear her.

My dear sister's large family want all I can spare. I could wish to recommend one or two of her younger children to my Janet's protection.

I must request the Honorable Robert Livingston, my much-esteemed father-in-law, and my brother-in-law Robert, his son (whose good sense and integrity I have all confidence in), to see this my last will and testament executed. Though the hurry of public business and want of knowledge in the law may have rendered this instrument incorrect, yet I believe my intention is plain. I therefore hope no advantage will be taken of any inaccuracy.

My brothers, whom I greatly esteem and respect, will accept of what alone I have in my power to give—my warmest wishes for their happiness.

RICHARD MONTGOMERY.

Witnesses:

ROBERT WALKIN,
EDWARD MOTT,
J. P. TETARD.

AUGUST 30, 1775, *Crown Point*.

This may certify that the foregoing will and testament of the late General Montgomery was found by us among his papers a few days after his death and immediately sealed up.

BENEDICT ARNOLD,
DONALD CAMPBELL.

This certification is in the handwriting of Arnold.

General Montgomery left no descendants. By his will it appears that he bequeathed the greater part of his fortune to his relatives in Ireland. The farm at Kingsbridge would now be of enormous value from its proximity to New York.

A curious inventory of his effects was taken and forwarded to New York. The greater part of his wardrobe was purchased by General Arnold. An account was also sent to Mrs. Montgomery of the manner in which his effects had been disposed of, and a list of the articles marked on the inventory as sold to General Arnold. Governor Carleton sent General Montgomery's gold watch and seal to General Wooster, at Montreal, who sent them to Mrs. Montgomery.

The body of General Montgomery remained in Quebec for 43 years. It was then brought to New York in compliance with a special act of the legislature.

At Mrs. Montgomery's request, Governor Clinton commissioned her nephew, Lewis Livingston, to superintend the removal of the remains to New York. From a minute report which he wrote to his father, Edward Livingston, then in Louisiana, we gather many details of interest hitherto unknown to the public. On account of the great lapse of time since the death of General Montgomery apprehensions were entertained that there would be difficulty in ascertaining the exact spot where he was interred. Such apprehensions were, however, groundless. Mrs. Montgomery had been some time previously informed by Mr. William Smith—the son of the Chief Justice, then deceased—that the person who had buried her husband was still living and had in his possession the sword the general wore when he was so unfortunately slain. Shortly after the arrival of Colonel Livingston in Quebec, James Thompson, then 89 years of age, was pointed out to him as the very person who had been intrusted with the superintendence of the general's burial and who had served in the British Army during the siege. He was ordered to explore the place of interment and dig up the remains. This he accordingly did, in the presence of one of his excellency Governor Sherbrooke's aides de camp, Captain Freer. As Thompson still possessed all his faculties, Colonel Livingston obtained from him full information. Owing to the alteration that had taken place in the appearance of the ground he could not indicate exactly where the body lay. It was found, however, within a few feet of the place he fixed upon, and there was so much circumstantial evidence to cor-

roborate all he said that not a doubt could be entertained of his veracity. He mentioned a number of details respecting the interment and gave a particular description of the coffin in which the body was placed, which corresponded perfectly with the appearance of the one taken up. The coffin was kept exactly in the state in which it was found and placed in a strong wooden case.

Sir John Sherbrooke pursued a very liberal course of action. He did not hesitate one instant to deliver up the remains; he only expressed a desire that the affair should be considered a private rather than a public transaction. Mr. William Smith was extremely useful in furthering the views of Colonel Livingston; he was intimate with the governor, and used his influence to obtain a compliance with the request of which he was the bearer.

Governor Clinton had directed the adjutant general, with Colonel Van Rensselaer and a detachment of Cavalry, to accompany the remains to New York. They left Whitehall on the 2d of July, arriving at Albany on the 4th. Great preparations had been made to receive the remains with all possible splendor and éclat. The procession moved through all the principal streets of Albany, escorted by the military under arms, joined by an immense concourse of citizens. The remains were laid in state in the capitol. In every village on the route similar honors had been paid to the memory of the gallant Montgomery. The skeleton had been placed in a magnificent coffin, which had been sent by the governor. On the 6th of July, at 9 o'clock in the morning, a procession, perhaps still larger than the first, accompanied the coffin to the steamer *Richmond*, on board of which it was put with a large military escort. The boat floated down for several miles under the discharge of minute guns from both shores. It was astonishing to observe the strong sympathies which were everywhere evoked by the arrival of these sacred remains. The degree of enthusiasm that prevailed and the patriotic feeling that evinced itself reflected credit upon the State of New York, and not a voice was heard in disapproval of the tributes of respect thus paid to the memory of this hero of the Revolution.

Governor Clinton had informed Mrs. Montgomery that the body of the general would pass down the Hudson; by the aid of a glass she could see the boat pass Montgomery Place, her estate near Barrytown. I give her own quaint and touching terms as she describes the mournful pageant in a letter to her niece: "At length," she wrote, "they came by with all that remained of a beloved husband, who left me in the bloom of manhood, a perfect being. Alas! how did he return! However gratifying to my heart, yet to my feelings every pang I felt was renewed. The pomp with which it was conducted added to my woe; when the steamboat passed with slow and solemn movement, stopping before my house, the troops under arms, the Dead March from the muffled drum, the mournful music, the splendid coffin, canopied with crêpe and crowned by plumes, you may conceive my anguish; I can not describe it."

At Mrs. Montgomery's own request, she was left alone upon the porch when the *Richmond* went by. Forty-three years had elapsed since she parted with her husband at Saratoga. Emotions too agitating for her advanced years overcame her at this trying moment. She fainted and was found in an insensible condition after the boat had passed on its way. Yet the first wish of her heart was realized after years of deferred hope, and she wrote to her brother in New Orleans, "I am satisfied. What more could I wish than the high honor that has been conferred on the ashes of my poor soldier?"

The remains were finally interred in New York on the 8th of July, 1818, beneath the monument in front of St. Paul's Church. This monument was designed and executed in France, ordered by Benjamin Franklin. * * *

The British chargé d'affaires ad interim to the United States, Victor Drummond, Esq., having recently obtained General Montgomery's sword, presented it to me on the 3d of September, 1881, at Montgomery Place, where it has been added to the other relics of the general. * * *

SENATOR FROM TEXAS.

The PRESIDING OFFICER (Mr. McNARY in the chair) laid before the Senate the petition and protest of George E. B. Peddy, of Houston, Tex., claimant, against the right of EARLE B. MAYFIELD, of Texas, to a seat in the Senate of the United States from the State of Texas for the term beginning March 4, 1923, which, with the two accompanying exhibits, was ordered to be placed on file.

After the conclusion of Mr. McKELLAR's speech,

PETITIONS AND MEMORIALS.

Mr. LODGE presented resolutions adopted by the Oriskany Unit, Steuben Society of America, at Boston, Mass., favoring the calling of an international conference by the United States

to revise and recast the treaty of Versailles, which were referred to the Committee on Foreign Relations.

He also presented a resolution of the board of aldermen of the city of Somerville, Mass., favoring the passage of the so-called Rogers bill, placing an embargo on exportation of coal to the Dominion of Canada, which was ordered to lie on the table.

He also presented a resolution of the Men's Club of the First Methodist Episcopal Church, of Medford, Mass., favoring the passage of adequate legislation to remedy the deplorable coal situation, which was ordered to lie on the table.

Mr. LADD presented a resolution of Edgar M. Boyd Post, No. 37, American Legion, of Williston, N. Dak., favoring the total exclusion of immigration to the United States, which was referred to the Committee on Immigration.

Mr. McNARY presented the following joint memorial of the Legislature of Oregon, which was referred to the Committee on Agriculture and Forestry:

STATE OF OREGON,
THIRTY-SECOND LEGISLATIVE ASSEMBLY, REGULAR SESSION,
Hall of Representatives.

House Joint Memorial 6.

To the honorable Senate and House of Representatives of the United States of America in Congress assembled:

Whereas it is desirable that the Congress of the United States amend the Federal grain standards act so that the United States Bureau of Markets shall have authority to prescribe discounts or differentials similar to those prescribed in section 12 of the Oregon grain inspection law: Be it

Resolved by the House of Representatives of the State of Oregon (the Senate concurring), That we most earnestly petition and memorialize the Senate and House of Representatives of the United States, in the name of the State of Oregon, to so amend the Federal grain standards act that the Bureau of Markets shall have the authority to prescribe discounts or differentials similar to those prescribed in section 12 of the Oregon grain inspection law; and be it further

Resolved, That the secretary of state of the State of Oregon be instructed to forward a copy of this resolution to each Member of the Congress of the United States.

Adopted by the House February 7, 1923.

K. K. KUEHL,
Speaker of the House.

Adopted by the Senate February 9, 1923.

JAY UPTON,
President of the Senate.

Indorsed: House Joint Memorial 6. Introduced by L. L. Mann, W. F. Drager, chief clerk. Filed: February 12, 1923; Sam A. Kozier, secretary of state.

UNITED STATES OF AMERICA,
STATE OF OREGON,
Office of the Secretary of State.

I, Sam A. Kozier, secretary of state of the State of Oregon, and custodian of the seal of said State, do hereby certify that I have carefully compared the annexed copy of House Joint Memorial 6 with the original thereof adopted by the Thirty-second Legislative Assembly of the State of Oregon and filed in the office of the secretary of state of the State of Oregon February 12, 1923, and that the same is a full, true, and complete transcript therefrom and of the whole thereof, together with all indorsements thereon.

In testimony whereof, I have hereunto set my hand and affixed hereto the seal of the State of Oregon. Done at the capitol at Salem, Ore., this 12th day of February, A. D. 1923.

[SEAL.]

SAM A. KOZIER,
Secretary of State.

Mr. GOODING presented the following joint memorial of the Legislature of Idaho, which was referred to the Committee on Finance:

STATE OF IDAHO,
Department of State.

I, F. A. Jeter, secretary of state of the State of Idaho and custodian of the seal of said State, do hereby certify:

That I have carefully compared the annexed copy of House Joint Memorial No. 4 with the original thereof adopted by the senate and house of representatives of the Seventeenth Legislative Assembly of the State of Idaho and filed in the office of the secretary of state of the State of Idaho February 8, 1923, and that the same is a full, true, and complete transcript therefrom and of the whole thereof, together with all indorsements thereon.

In testimony whereof I have hereunto set my hand and affixed hereto the seal of the State of Idaho. Done at the capitol at Boise, Idaho, this 12th day of February, A. D. 1923.

[SEAL.]

F. A. JETER,
Secretary of State.

IN THE HOUSE OF REPRESENTATIVES.

House Joint Memorial No. 4, introduced by Committee on Military and Indian Affairs.

To the honorable Senate and House of Representatives of the United States of America in Congress assembled:

Your memorialists, the Legislature of the State of Idaho, respectfully represent that—

Whereas great services patriotically rendered and sacrifices heroically made by service men and women in the World War places a great obligation upon the people of this Nation; and

Whereas as a result of these services many veterans are now becoming disabled in mind and body and in need of every consideration and assistance; and

Whereas existing laws and regulations do not promote the most satisfactory service to be rendered these disabled veterans; and

Whereas it is the desire of all worthy people that such sacrifices shall not go unrecognized and unrewarded: Now, therefore, be it

Resolved, That the House of Representatives of the State of Idaho, the senate concurring, do earnestly recommend and request that the Congress take up for consideration and early enactment measures now pending and providing for the relief of disabled veterans, and espe-

cially do we urge the immediate enactment into law or regulation of the following:

1. The construction of new neuropsychiatric hospitals in sufficient numbers to care for the ever-increasing number of mental patients be immediately undertaken and pushed to completion, and that the staffs of such institutions be ample to care for the existing needs of the patients therein.

2. That veterans hospitalized for any disabilities of service origin (all disabilities of venereal nature or involving moral turpitude excluded) be granted a total temporary compensation status while undergoing hospitalization, this to include disabilities of service origin, or aggravation thereof, of less than 10 per cent.

3. That all beneficiaries of the Veterans' Bureau discharged from a hospital with disabilities duly connected with the service or aggravated thereby be placed on a total temporary compensation status until such time as vocational training becomes feasible for them, or until it becomes evident that the claimant is able to follow some gainful occupation.

4. The amendment of existing law so as to permit all claimants suffering with compensable disabilities of service origin be allowed compensation on hospital basis when so hospitalized.

5. That all disabled ex-service men be given the necessary hospital treatment and care irrespective of the status of his compensation claim.

6. That the two-year time limit, now in force under the amended Sweet Act of August 9, 1921, in which ex-service men suffering from tuberculosis or neuropsychiatric disabilities are entitled to compensation and benefits of the Veterans' Bureau, be extended to five years from date of discharge from active military or naval service.

7. That beneficiaries of the Veterans' Bureau suffering from neuropsychiatric disabilities of service origin, or aggravation thereof, rated 10 per cent or more and declared nonfeasible for vocational training, shall be allowed a 50 per cent compensation during such time as they are adjudged not feasible for training and unable to continually earn a livelihood.

8. That an ex-service man who is shown to have a tubercular condition of the bone, developing within three years after separation from active military or naval service of the United States, shall be considered to have acquired such disability in this service, or to have suffered an aggravation of the preexisting tubercular condition, and nothing should be construed to prevent a claimant from receiving benefits of compensation, medical care, and treatment for disabilities due to this disease, of more than 10 per cent, developing within three years from date of separation from active service, if the facts of the case substantiate his claim.

9. The amendment of section 310, war risk insurance act, so as to allow all disabled veterans compensation from date of discharge, providing they submit evidence showing a disability of compensable degree.

10. The amendment of existing law so as to inaugurate a system of permanent ratings by a board with laymen representation who will consider the man's previous education, earning ability, and general status in life, as well as his physical condition, with the end in view of establishing a permanent disability rating code.

11. That so much of section 300, Public 47, Sixty-seventh Congress, as establishes service connection of men suffering with neuropsychiatric and tuberculosis of a degree of 10 per cent or more, within two years after discharge, be made applicable to the original rehabilitation act, and that claimants having a disability constituting a vocational handicap and who are eligible to compensation of 10 per cent under the authority of this section, be granted section 2 training.

12. The amendment of existing law to make rehabilitation training available to widows and dependents of deceased persons who lost their lives in line of duty in military service.

13. The amendment of existing law to compensate any trainee who is injured while actively pursuing a course of training prescribed by governmental agency.

14. The amendment of section 2 of the rehabilitation act in such manner as to recognize any service connection established under provisions of section 300 of the war risk insurance act, amended, as sufficient for all purposes under the provisions of the rehabilitation act.

15. That a civilian board of appeals composed of three representatives, professional or business men, in each district, be established to pass on the cases of beneficiaries of the Veterans' Bureau who are dissatisfied with the treatment received from the rehabilitation department and desiring further training.

16. That ratings for compensation be made by a medical board, before which the claimant appears in person, and that such ratings be not decreased nor allowance of compensation overruled by central office.

17. That a rating board shall be established in each hospital, with full legal powers to render decisions, adjust awards, and make examinations.

18. That adequate provisions be made for the payment of compensation to claimant's widow and any direct issue of the union, such compensation to be payable to the widow so long as she remains unmarried and payable to the children until they become of legal age.

19. That the Veterans' Bureau immediately discontinue the use of form letters to claimants and in their stead write fully on each claim, giving such full information as claimant may need to complete his case; be it further

Resolved, That we express to the Congress of the United States the hope that some method of extra compensation for the service men and women of the World War may be provided whereby the material sacrifices of those who served may be repaid upon a basis which will be equitable and within the reasonable limit of expenditures which conditions will justify; and be it further

Resolved, That the Secretary of State is hereby instructed to forward this memorial to the Senate and the House of Representatives of the United States of America; that copies be sent the Senators and Representatives in Congress of this State and to the national headquarters of all duly recognized veterans' organizations.

This joint memorial passed the house on the 20th day of January, 1923.

M. A. KIGER,
Speaker of the House of Representatives.

This joint memorial passed the senate on the 24th day of January, 1923.

H. A. BALDRIDGE,
President of the Senate.

I hereby certify that the within Joint Memorial No. 4 originated in the house of representatives during the seventeenth session of the Legislature of the State of Idaho.

DAVE BURRELL,
Chief Clerk of the House of Representatives.

Mr. GOODING presented the following joint memorial of the Legislature of Idaho, which was referred to the Committee on Irrigation and Reclamation:

UNITED STATES OF AMERICA,
STATE OF IDAHO,
Office of the Secretary of State.

I, F. A. Jeter, secretary of state of the State of Idaho, and custodian of the seal of said State, do hereby certify:

That I have carefully compared the annexed copy of House Joint Memorial No. 6 with the original thereof adopted by the senate and house of representatives of the seventeenth legislative assembly of the State of Idaho and filed in the office of the secretary of state of the State of Idaho February 8, 1923, and that the same is a full, true, and complete transcript therefrom and of the whole thereof, together with all indorsements thereon.

In testimony whereof I have hereunto set my hand and affixed hereto the seal of the State of Idaho. Done at the capitol at Boise, Idaho, this 10th day of February, A. D. 1923.

[SEAL.]

F. A. JETER,
Secretary of State.

IN THE HOUSE OF REPRESENTATIVES,
House Joint Memorial No. 6.

To the honorable Senate and House of Representatives of the United States of America, in Congress assembled:

Your memorialists, the Legislature of the State of Idaho, respectfully represent: That—

Whereas great distress obtains upon Government Federal reclamation projects in the State of Idaho; and

Whereas in the early history of the movement for the construction of Government reclamation projects in the State of Idaho the Government of the United States on April 5, 1904, caused to be published Senate bill No. 247, and at page 20 thereof in said document discloses the representations made by the representatives of the Government of the United States as to the costs of reclamation per acre upon the Boise project, and Mr. Newell, who at the time was director of the Reclamation Service, at a meeting of the citizens of Boise Valley, among other things, made the following representations:

"Replying to another question, he said the cost could not possibly exceed \$20 or \$25 per acre." The cost referred to by the director was the cost for a water right and completed project to be assessed against the lands of the Boise project; and

Whereas when the first unit of the Boise project had been completed, and the only one that has been completed, the Secretary of the Interior announced an \$80 charge per acre for each acre of land; and

Whereas Senate Document No. 247, published by the Government of the United States, was spread broadcast throughout the Middle West and State of Idaho and elsewhere as an inducement for settlers to take up Government land and to enter into contractual relations with the Government of the United States and assume to pay the burden of reclamation; and

Whereas hundreds of settlers went upon Government lands and located within the reclamation projects of the State of Idaho, with the understanding that they would be required to pay from \$20 to \$25 per acre for the reclamation of their lands, and many of whom waited from five to nine years after their location upon desert lands before any water was furnished to them whatsoever upon their lands from said reclamation project or any other source; and

Whereas hundreds of settlers upon Federal reclamation projects in the State of Idaho have exhausted all of their resources in an effort to meet their obligations to the Government of the United States and at this time are practically penniless; and

Whereas the Federal reclamation projects in the State of Idaho are confronted with one of two alternatives—first, an extension of time must be given and arrangements made for a reasonable distribution of the payments required to be made to the Government; or, second, hundreds of settlers who have spent from 10 to 15 years of the best part of their lives in an attempt to make homes upon Federal reclamation projects in the State of Idaho will be forced to abandon their said homes and seek a living elsewhere, and that, too, in the declining years of their lives; and

Whereas the conditions heretofore stated in this memorial have been greatly augmented on account of excessive freight rates obtaining from the State of Idaho to eastern markets being practically prohibitive until the products grown upon Federal reclamation projects have rotted in the fields for the reason that they would not bring sufficient sums to pay transportation charges; and

Whereas justice and a desire to show our appreciation to those who have struggled for years to subdue the desert and to improve our country and its citizenship impels us to ask that the Congress of the United States of America, by act of Congress, postpone all payments overdue upon reclamation projects and spread all of the remaining payments to fall due, together with said past due payments, over a period of 40 years to the end that the Government may have returned to it by the citizens who have in most instances undertaken to reclaim desert lands on Federal reclamation projects: Now, therefore, be it

Resolved, That we earnestly urge the Congress of the United States of America to immediately enact legislation in harmony with this resolution; and be it

Resolved, That the secretary of state of the State of Idaho is hereby instructed to forward this memorial to the Senate and House of Representatives of the United States of America, and that copies of the same be sent to the Senators and Representatives in Congress from this State.

This memorial passed the house on the 3d day of February, 1923.

M. A. KIGER,
Speaker of the House of Representatives.

This memorial passed the senate on the 5th day of February, 1923.

H. C. BALDRIDGE,
President of the Senate.

I hereby certify that the within House Joint Memorial No. 6 originated in the house of representatives during the seventeenth session of the Legislature of the State of Idaho.

DAVE BURRELL,
Chief Clerk of the House of Representatives.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BRANDEGEE:

A bill (S. 4606) granting a pension to Jennie M. Bond; to the Committee on Pensions.

By Mr. LODGE:

A bill (S. 4607) for the allowance of certain claims for indemnity for spoiliations by the French prior to July 31, 1801, as reported by the Court of Claims; to the Committee on Claims.

By Mr. ROBINSON:

A bill (S. 4608) for the payment of certain claims in accordance with findings of the Court of Claims, reported under the provisions of the acts approved March 3, 1883, and March 3, 1887, and commonly known as the Bowman and Tucker Acts, and under the provisions of section No. 151 of the Judicial Code; to the Committee on Claims.

THE MERCHANT MARINE.

The Senate resumed the consideration of the motion of the Senator from Washington that the Senate proceed to the consideration of the bill (H. R. 12817) to amend and supplement the merchant marine act, 1920, and for other purposes.

Mr. HARRISON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. SMITH in the chair). The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Ball	Frelinghuysen	McCormick	Reed, Pa.
Brandegge	George	McCumber	Sheppard
Brookhart	Gooding	McKellar	Shields
Broussard	Hale	McKinley	Smith
Bursum	Harrell	McLean	Smoot
Calder	Harris	McNary	Stanfield
Cameron	Harrison	Moses	Stanley
Capper	Heflin	New	Sutherland
Curtis	Hitchcock	Norbeck	Swanson
Dial	Johnson	Oddie	Wadsworth
Dillingham	Jones, Wash.	Overman	Warren
Ernst	Kellogg	Pepper	Watson
Fernald	Ladd	Phipps	Weller
Fletcher	Lenroot	Pittman	Williams
France	Lodge	Ransdell	

The PRESIDING OFFICER (Mr. Moses in the chair). Fifty-nine Senators having answered to their names, a quorum is present. The question is on agreeing to the motion of the Senator from Washington.

Mr. BROOKHART obtained the floor.

Mr. WATSON. Mr. President, will the Senator yield to me to make a report?

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Indiana?

Mr. BROOKHART. Just so that I do not give up the floor.

Mr. WATSON. From the Committee on Finance—

Mr. FLETCHER. I object to the reception of the report.

Mr. WATSON. Very well; I am suppressed.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. BROOKHART. The Senator from Indiana did not get his report through? It is too bad.

Mr. President, I think this is a very important motion.

Mr. HARRISON. Mr. President—

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Mississippi?

Mr. BROOKHART. I yield.

Mr. HARRISON. I just wanted to note the fact that there is no order in the Chamber. We can not hear the Senator.

The PRESIDING OFFICER. The Chair thanks the Senator from Mississippi. The Senate will be in order. Senators remaining in the Chamber will please be seated. The Senator from Iowa will suspend until the Senate is in order.

Mr. BROOKHART. Mr. President, I do not think it would make much difference. So I hope the rule will not be too severely enforced.

The PRESIDING OFFICER. The Senator from Iowa will proceed.

Mr. BROOKHART addressed the Senate. After having spoken for some time, he said:

I would like to ask unanimous consent before I leave the floor that when the Senate takes a recess to-day it recess until 12 o'clock to-morrow.

Mr. JONES of Washington. Does the Senator yield the floor for the purpose of submitting that request?

Mr. BROOKHART. No.

Mr. JONES of Washington. If the Senator did that, I make the point of order that the Senator can not submit a request of that kind and hold the floor at the same time.

Mr. HARRISON. I submit that simply because a Senator has the floor he is not precluded from asking for unanimous consent that when the Senate takes a recess to-day it recess until 12 o'clock to-morrow. Of course, the Senator from Washington has a right to object, but he has no right to insist that 95 other Senators have a right to make that request but that

simply because a Senator has the floor he can not make it himself.

Mr. HEFLIN. Mr. President, a parliamentary inquiry. Did not the Senator—

Mr. JONES of Washington. I make the point of order now if the Senator from Iowa yields the floor.

Mr. HEFLIN. I am making a parliamentary inquiry.

Mr. JONES of Washington. I want to ask whether or not the Senator from Iowa yielded the floor when he submitted his request?

Mr. HEFLIN. He has not submitted any request.

Mr. JONES of Washington. But he must do that in order that it may be submitted to the Senate.

Mr. HEFLIN. He said, "before I leave the floor I should like to submit a request." Let the reporter's notes be read.

Mr. JONES of Washington. If he is not submitting it now, all right.

Mr. HARRISON. We are talking now on a point of order. The matter is very clear. The Senator from Iowa—

Mr. JONES of Washington. I make the point of order that the Senator from Mississippi is taking the Senator from Iowa off the floor. I ask for a ruling on the point of order.

Mr. HARRISON. I am only arguing the point of order.

Mr. BROOKHART. I have not yielded the floor to anyone.

Mr. JONES of Washington. I hope the Senator from Iowa will hold the floor.

Mr. HARRISON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. ODDIE in the chair). The Senator from Mississippi will state the inquiry.

Mr. HARRISON. I merely want to see what the parliamentary status is.

Mr. JONES of Washington. I make the point of order that the Senate can not take the Senator from Iowa off the floor by submitting a parliamentary inquiry.

The PRESIDING OFFICER. The point of order is sustained. The Senator from Iowa has the floor.

Mr. HARRISON. I appeal from the decision of the Chair, and on that appeal I want to be heard.

Mr. JONES of Washington. I ask the ruling of the Chair whether the Senator can do so in the time of the Senator from Iowa.

The PRESIDING OFFICER. The Senator from Iowa has the floor.

Mr. HARRISON. I know that the Presiding Officer has no desire to run the Senate beyond the orderly rules of the Senate—

Mr. JONES of Washington. Mr. President, I rise to a point of order.

Mr. HARRISON. I submit that I have a right to appeal from the decision of the Chair on the ruling.

Mr. JONES of Washington. The Senator can not do that unless the Senator from Iowa yields.

The PRESIDING OFFICER. Has the Senator from Iowa yielded?

Mr. BROOKHART. No; I have not yielded the floor.

The PRESIDING OFFICER. The Senator from Iowa has the floor. He declines to yield, and he will proceed.

Mr. BROOKHART resumed his speech. After having spoken in all for about three hours and a half,

Mr. JONES of Washington. Mr. President, I understand that the Senator from Iowa desires to close his speech at this time.

Mr. BROOKHART. The first section of it.

The PRESIDING OFFICER (Mr. MOSES in the chair). Does the Senator from Iowa yield?

Mr. JONES of Washington. I understand the Senator desires to conclude his remarks at this time.

Mr. BROOKHART. Yes; if that is satisfactory.

Mr. JONES of Washington. I am not asking the Senator to do so.

Mr. HEFLIN. The light is very dim, and I suggest that it is difficult to read the matter from which the Senator from Iowa is quoting.

The PRESIDING OFFICER. The Chair will put the interrogatory. Does the Senator from Iowa yield the floor?

Mr. BROOKHART. If the proposition to recess that the Senator from Nebraska made to me is to be carried out, yes; otherwise, no.

Mr. JONES of Washington. I understand the Senator would like to close. That is agreeable. So I ask unanimous consent, Mr. President, that when the Senate closes its session to-day it recess until 11 o'clock to-morrow morning, with the understanding that we will have a short executive session now.

Mr. HITCHCOCK. What is the understanding the Senator suggests?

Mr. JONES of Washington. That we have a short executive session right now.

Mr. HITCHCOCK. I do not know that I want to agree to any understanding of that sort.

Mr. JONES of Washington. Very well. Some Senators have asked for an executive session. It is a matter of indifference to me.

Mr. HITCHCOCK. I do not want to have that put in the unanimous-consent agreement.

Mr. JONES of Washington. Very well. I thought it was understood that we intended to have an executive session.

Mr. HEFLIN. The Senator can move to go into executive session without unanimous consent.

Mr. JONES of Washington. I ask unanimous consent that when the Senate closes its business it recess until 11 o'clock to-morrow morning.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request propounded by the Senator from Washington?

Mr. HITCHCOCK. I object to it in that form. I will not object to a request for unanimous consent that the Senate take a recess until to-morrow morning at 11 o'clock.

Mr. JONES of Washington. I was going to state that I intended now to move an executive session. Of course, if the Senator does not desire an executive session, it makes no difference to me, but there are several Senators who have asked that we have an executive session. Does the Senator object to that?

Mr. HITCHCOCK. Yes. I think that is not a part of the unanimous consent we arranged. It was to take a recess until to-morrow morning at 11 o'clock.

Mr. JONES of Washington. I want to say to the Senator I did not agree to any such unanimous consent. It was suggested to me over here that we take a recess and have a brief executive session when the Senator from Iowa concluded his address, and I understood that we were to have an executive session. I am indifferent about it, so far as I am concerned, but I hope the Senator will consent.

Mr. HITCHCOCK. We had better carry out what was intended and what has been heretofore agreed to by unanimous consent, namely, to take a recess until to-morrow at 11 o'clock a. m.

Mr. LODGE. We can have an executive session at any time after to-morrow morning at 11 o'clock.

Mr. JONES of Washington. I do not feel like closing the session in view of the situation, and think we had better go on.

The PRESIDING OFFICER. Does the Senator from Iowa continue to yield the floor for the purpose of attempting to reach a unanimous-consent agreement?

Mr. BROOKHART. Yes; I yield for that purpose.

Mr. BROOKHART resumed and concluded his speech, which, entire, is as follows:

Mr. BROOKHART. Mr. President, the developments here to-day have been remarkable in many ways. I am glad to find out that everybody in every way is in favor of a filibuster. It seems like they have all been in it at one time and another. As I look over the RECORD here to-day I find the Senator from Washington [Mr. JONES] holding a little spot on the floor for 14 hours, or such a matter, the Senator from Utah [Mr. SMOOT] for 13 hours, and the Senator from Massachusetts [Mr. LODGE] for I do not know how many hours. I shall have to assure you that I am too new in the Senate to live up to the grand precedents that have gone before me. I am afraid I shall not hold out that long. However, I shall do my level best; I assure you of that.

There is another thing about this occasion that is especially significant to me. This is the natal day of George Washington, the Father of Our Country, the greatest filibusterer in history. Yes; it was George Washington who filibustered the American people clear out of the British Empire. He went farther than a filibuster, even. A filibuster is lawful, I guess, as we learned here to-day. It is constitutional to start with, and nobody has suggested that even the Supreme Court would ever hold a filibuster to be a violation of the Constitution of the United States; but the Father of Our Country did not even have legal sanction for his great filibuster. No. He carried it on into a red, white, and blue revolution.

I remember the little incident that started that filibuster in those old days. I read it back when I was a schoolboy. It related to something about tea, about a tax on tea, and there were some of the compatriots of George Washington who did not like the looks of a tax on tea, and they filibustered that tea over into Boston Harbor. Yes; that occurred up in Boston—dear old Boston—

The home of the bean and the cod,
Where the Lowells speak only to the Abbotts.
And the Abbotts speak only to God.

Mr. CALDER. Mr. President—

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from New York?

Mr. BROOKHART. On the same conditions that I have heretofore mentioned.

Mr. CALDER. I trust the Senator will pardon my suggesting a correction. I think that was the Cabots, not the Abbotts.

Mr. BROOKHART. I accept the correction. I am not very strong on poetry, anyhow.

Yes; that little filibuster conducted by the Father of our Country went on. I remember how the embattled farmers went out along Lexington Road with their guns in their hands in those old days. I also remember a day, on this 7th of November just past, when the embattled farmers of the United States went out with their ballots in their hands. Well we remember the crossing of the Delaware, and we remember Burgoyne, Valley Forge, and those terrible days, and we remember how even George Washington, driven to the wall, contemplated going back into the woods of America with a filibustering party to fight even in that desperate condition; and then finally we remember the days of the victory over Cornwallis at Yorktown. Yes; the French, Lafayette, Pulaski, Von Steuben—all those, we remember—came over and helped us by taking part in that greatest filibuster in the history of the world, the American Revolution. Therefore it is with somewhat of a pride of Americanism that I announce to you plainly and frankly that I am going to try to filibuster a little myself here to-night. You do not need to stay unless you want to. I will excuse all of you except the Senator from Washington. I think he ought to stay.

We had some little plans worked out about this filibuster some time ago. We thought if they would accommodate us fully on these night schools, so that we could present all our matters, we would let the daytime go with legitimate business.

But we had not gone very far until we found they wanted to adjourn about 10 or 11 or 12 o'clock, and we can not possibly make our record upon the proposition before the 4th of March, if these night schools do not run longer than that. Therefore plans have to be changed a little. The Senators who desired to take part in the school got anxious. They had prepared elaborately for the presentation of the subject, and having done that they did not want all that labor to go to waste. They wanted to get some use of it. I was put up as the first one to start the filibuster. I do not know just why that was, unless because the paper published a story about how I wanted to wear overalls in the United States Senate. The farm bloc is going to do that some of these days, so look out for it.

But before I got started to speak in the filibuster the Senator from Oklahoma [Mr. OWEN] showed up. We farmers are good-natured, so, of course, I gave way to him, and he talked about a day and a half explaining the proper place for the Supreme Court of the United States. That explanation is not completed. There will be some further reference to it later, because that is important, too, and will have to be fully figured out.

Now, following him the Senator from Missouri [Mr. REED] blew in, and I have a right to talk about him as I please, because I was originally a Missourian myself, and I sometimes have to be shown, too. It will be remembered that he brought in a map and pointed out the different sections and sectors and segments of the whole world and explained how we ought to get a few more of these sections, or islands, I believe it was. I am considerably in sympathy with that proposition. I would like to have an island myself.

I do not want to review all that happened here, but I kept giving way first to one and then to another. I was sitting on the front bench all the time ready to start this little filibuster. It went on until nearly 7 o'clock to-night before I got a real fair chance to say "Mr. President." Then, strangely enough, the Presiding Officer saw me and recognized me right away.

Here are the rest of our plans. I might as well let everyone know a little about it. The Senator from Michigan [Mr. COUZENS], who sits next to me, has some ideas about the ship subsidy and the filibuster, too. Having given proper attention to the scriptural phases of it, he proposes to aid us in the further proceedings here in this Chamber. He thought he would start probably somewhere about the history of Noah's ark. In fact he said he could demonstrate conclusively by scriptural quotations that Noah's ark never needed a subsidy; that it got by all right without the aid or consent of anybody else in the world.

Then the Senator from North Dakota [Mr. LADD], who is always very patient and always very well prepared, is going to present the scientific phases of the subsidy business. He has looked into the corpuscles of it and seen the red and white fellows who were battling the microbes of disease, and he

thinks they got by without any subsidy. So he will be ready to explain that fully during the progress of the night schools in the Senate, provided they run late enough.

Then there is the junior Senator from Nebraska [Mr. NORRIS], who lives out in a semidesert portion of the country. The best part of his State lies next to Iowa. He has been investigating the prehistoric situation as to ship subsidies. He will probably present its geological phases. He found the skeletons of the mammoths, the dinosaurs, and a lot of those prehistoric fellows that slid around in the warmth of the ancient seas in those times, and he finds that they also got by without a ship subsidy. It is important, of course, that all of this be put in the Record if we have time.

Then there is the senior Senator from Wisconsin [Mr. LA FOLLETTE]. At the beginning of the discussion we really only expected one Senator from Wisconsin to participate in the filibuster, but strange things happen even in a debate on the ship subsidy, and now we have two Senators from that State who have joined us in the discussion, with the announcement that they will both be with us in the vote when we get ready to recommit the shipping bill. The senior Senator from Wisconsin has some very decided views about the ship subsidy. He thinks it is a mark of imperialism, and he will take up its political phases, coming down through the glorious history of Greece, the more glorious history of Rome, and then its decline and fall when it went into the subsidy business.

The senior Senator from the great State of Idaho [Mr. BORAH] joined us in what the headlines determined to call "the battalion of death." At the time he joined we expected that he would also be alone in the proceedings, but miracles happened again, and this morning the junior Senator from Idaho [Mr. GOODING] joined us in a wonderful oration, with lots of fight in it, lots of good farmer stuff in it. I mean to comment more on that than anything else before I get through my part of the proceedings to-night.

As for myself, I had decided principally to take up the question of the cooperative movement in the world. I have some very strong convictions about the development of cooperation, not only in the United States but throughout the world, and I have a few volumes on the subject to which I shall refer occasionally. I understand it has been stated that the Presiding Officer would rule that I could not read straight out of those volumes, since that is not speaking.

I hope he does not do that, because if I have to read a little while and then speak a little while, it will take me about twice as long to get through the volumes. But I have some other subjects also and I do not know of any better time to get rid of them than right now, and if the Doorkeepers will keep the occupants of the gallery in their places and not let them get away, I shall tell them about several of those subjects.

Have I overlooked something? Oh, yes; we only have about 10 days to do all this, and there are six of us Republicans, aided and abetted by about a dozen other Republicans, and the time is very short. Then it may have been noticed that the Democrats are butting in on us all the time and taking the floor away from us. We do not have a clear path. Yes; we listened to the history of the League of Nations in a magnificent address by the junior Senator from Texas [Mr. SHEPPARD]. I will say to the occupants of the gallery that that is good reading if they did not hear all of it. I know some of them could not keep awake during the entire time, but it was accurate and it was reliable. The distinguished Senator from Texas presented it very ably.

I understand the Senator from South Carolina [Mr. SMITH] wants a chance to tell us something about cotton. Even the Senator from Virginia [Mr. GLASS] has asked for a little time on the state of the Union. The Senator from Florida [Mr. FLETCHER] has not had much opportunity up to date to discuss the real merits of the bill, and he desires to do that before we get through with the motion. The Senator from Alabama [Mr. HEFLIN] has collected a new installment, the most delightful installment yet, upon the administration of Federal reserve banks, and I am sure there is nothing can prevent his delivery of that speech before this session is over.

Yes, then we have the Senator from Mississippi [Mr. HARRISON] who always has something to say about the Democratic Party. He has not yet found out that it is dead. So he is going to tell us about how much alive he thinks it is. Nobody would want to stop him even if they could. So there are many difficulties in the way of acting upon the pending motion, and I do not know just when we will get to a vote on it.

The Presiding Officer stated the motion, I believe, to the effect that we should proceed to the consideration of House bill No. —; I have forgotten the number and I have not time to look it up, but it is the ship subsidy bill. I do not think we ought

to proceed very far toward the consideration of that bill. I think there are several other subjects that need our attention that are of more importance to the common people of the United States than a subsidy to a few shipowners.

For instance, I think the transportation question is in a very serious condition. Everything in the world is unsettled, and the worst unsettled proposition we have is railroad transportation. In the early discussion of this subject I had a few words to say about the railroads, about their finances and about their operation, and as quickly as I had finished those remarks I was in trouble. I will say to Senators that I get into a good deal of trouble every once in a while anyhow. Up to date I have always got out some way or other. It was not long until along came the president of the Association of Railway Executives, who lit down upon my speech. I think now is just about as good a time as any to have it out with him. I do not know that there will be much entertainment in it, but it will pass away the time. I am going to be very brief because the time is short.

Out in Iowa we, at times, have been infested with a species of stock promoter who sold his stock through divers methods of false pretense. A favorite method was to donate a stock subscription to a leading bank or a citizen, and on the strength of this subscription secure subscriptions from others. In our State such banker or leading citizen has become designated and well known as a "bird dog." The railroads of the United States have inaugurated a similar system, which they have followed for a long time. Its end and purpose is to deceive the public about their value, their capital, their credits, their net earnings, and their subsidiary profits. In order to promote this deception they have an organized force of experts and high officials who are also experts in the channels of publicity. By their well-calculated system of presenting certain phases of the proposition and omitting others they are able to deceive the public and the press as to the real situation and facts of the railroad problem. In other words, they keep a whole kennel full of these "bird dogs" to attract the public attention while they ruthlessly shoot down the public prosperity with extortionate rates.

At the present time the leading "bird dog" in this kennel is Samuel M. Felton, president of the Chicago Great Western Railway. Mr. Felton is unusually well qualified for this exalted position. He is president of one of the poorest managed and worst waterlogged railroads in the United States. It has the best equipment and the finest facilities for the training of "bird dogs." Since his presidency the principal function of Mr. Felton has been to appear in rate cases as a leading witness, pointing out the inability of his road to earn anything and demanding rates high enough to yield a return upon its great reservoir of dirty water. Incidentally, and true to his species and training, he always insisted that these high rates should be granted to all the other roads, even though their profits arose to an unconscionable level.

During my campaign in Iowa the railroads detailed a small "bird dog" from the Rock Island system to demolish my platform, but since the election they have unleashed the leader of the kennel, and now in the Senate I must face Samuel M. Felton himself.

After I recently spoke in the Senate in reference to railroad matters Felton soon appeared in the press of the United States and said of my speech:

It is doubtful if any man holding a high public office ever made, in an equal time, more baseless and reckless misstatements than you made regarding railway matters in this speech.

You see he made a world champion out of me the first round.

An illustration of the way in which you make statements that have no basis in fact, is afforded by your assertion that, largely owing to inability to pay the freight rates, the apple growers of the State of Washington will this year be forced to dump 10,000 carloads of apples into the Columbia River. A telegram from the Wenatchee Valley Association, composed of the growers in the apple district of Washington, says that your statement "is not true," and adds, "the district has already shipped about 8,000 cars, and there remains about 5,000 cars."

I do not know much about Wenatchee or how many apple trees there are there, and, of course, I did not say anything in my speech about Wenatchee. An examination of the CONGRESSIONAL RECORD of December 18 and 19, 1922, on pages 626, 627, and 665—I hope the Senators will remember all those pages—will show in the first place that I made no such statement, but that I did say the Farmers' Union told me they were getting ready to dump 6,000 bushels at one time into the Columbia River and to take a moving picture of those apples as they go into the river. I then asked the Senator from Washington [Mr. JONES] if such was the fact. To this the Senator from Washington replied:

Six thousand bushels? I would not be surprised if it were 6,000 carloads.

I then told him that my information was there would be 10,000 carloads dumped into the river altogether. To this he replied:

With regard to that I will say I do not think the condition is overdrawn.

And later in responding to a question from the Senator from Missouri [Mr. REED] the Senator from Washington said:

The farmers had received about 5 cents a box after the freight was paid and after the expenses of picking, boxing, and packing were paid.

Now Senators will see who it was said it; who gave us the facts. I wonder why the president of this railroad did not jump onto the distinguished Senator from Washington? He is the one who brought in the question of freight rates specifically. Mr. Felton let the Senator from Washington alone and got after me because I am new on the job, and not very well able to take care of myself, as Senators know.

Later I put into the RECORD a telegram from Mr. John Quincy Adams concerning this situation. I believe even the Senator from Massachusetts [Mr. LODGE] would not question a telegram from a man whose name is John Quincy Adams. He is president of the Farmers' Union of Spokane, Wash. Since then I have received a telegram from the master of the State Grange of Washington to the same effect. They corroborate their Senator in his statement that one-third of their apple crop must be destroyed because it does not bring enough money to pay the freight to market. If the railroads want to feed their "bird dogs" apples, I suggest that they transfer Mr. Felton out to the Columbia River.

Mr. Felton is next grievously exercised because of my statement that the securities representing all of the values of all of the railroads can be bought on the market for \$12,000,000,000, while under this law we are required to pay in rates on \$18,900,000,000. In this respect he does not deny the potent fact that the securities will actually sell for \$12,000,000,000; but he criticizes viciously my statement as to things considered by the commission in fixing the value; then quotes Commissioner Hall to the effect that no consideration whatever was given to stocks and bonds, and asserts that it was all based on the valuation law introduced by the Senator from Wisconsin [Mr. LA FOLLETTE] and passed by Congress in 1913. In the first place, I desire to say that the so-called La Follette law did not lay down a rule of valuation. It laid down elements of investigation, and left the rule of valuation for determination by congressional action. The transportation act of 1920 supplied this deficiency, and caused the commission to use all the fictitious elements of section 19a, as well as the property accounts of the railroads themselves, in determining this value, which exceeds the market value by \$7,000,000,000.

At this point I wish to say that when the railroads came through Iowa, and when they went through other States in the Union, when they took our farms to use in the railroad business they condemned them and were able to take them at their fair market value. That is all they paid. Now, when a farmer comes along and says to them, "Your property is only worth the fair market value of the securities that represent all its value," they fly up in the air and light heavily down onto that farmer. He is out to confiscate something.

I have an editorial here from a newspaper in Iowa quoting a speech by Mr. Samuel O. Dunn, the editor of the Railway Age, before the Mason City Chamber of Commerce. I read from the editorial as follows:

Samuel O. Dunn, editor of the Railway Age, addressing the Mason City Chamber of Commerce, asserted that the proposal of Senator BROOKHART to arbitrarily reduce the established valuation of the railroads by \$7,000,000,000 would result in financial disaster. Such reduction, he stated, would destroy most of the value of railroad stocks and a large part of the value of railroad bonds. The result would be to throw many railroads into bankruptcy, and with them would go banks, trust, life insurance, and other companies which own railroad bonds. Furthermore, the reduction, Mr. Dunn said, would stop investment in railway securities and render impossible the providing of required facilities—the equipment which the late car shortage showed was so seriously needed.

A little later on in the evening, if Senators will remain long enough, I shall have something to say about that old calamity howl of the railroads, "Our credit is destroyed and we can not sell our bonds; we shall have to have higher rates." That is always the cure. I shall have quite a good deal to say about that.

They also say in their advertisements in the newspapers, "We can not get the funds even to equip and maintain our roads." I shall have something to say about that also. If Senators wait long enough they will get all of this.

The situation thus created, Mr. Dunn continued, would bring the country quickly face to face with the question as to whether it would abandon its present policy of drastic regulation for a policy of Government ownership of the railroads.

Mr. Dunn contended that an attempt to reduce the valuation of the railroads by legislative fiat, as Senator BROOKHART proposes, "would be to attempt confiscation of property upon the largest scale ever attempted in any country at any time, except in Russia."

Of course, Mr. Dunn knows a great deal about railroad "bird-dogism." He knows a great deal about how to advertise the false statistics and the false combination of figures that will deceive the public; but when it comes to confiscation by Government action, I am going to show Senators to-night, if they will stay long enough to hear me, by quotations from an editorial in the *Manufacturers' Record* that the railroad law, combined with certain manipulations in the administrations of the Federal reserve banks, confiscated \$32,000,000,000 of the farmers' property, and Mr. Dunn has not shed a single tear over the fate of the 7,000,000 farmers, many of them already in bankruptcy and nearly all of them at the verge of it, because of that governmental action.

I may miss some of the points Mr. Dunn made, and I should regret to do that. He speaks of reducing this value by a legislative fiat. I wish to say to him that he has increased the value of those stocks and bonds by all sorts of fraudulent fiats. It is a market that he himself created for those stocks and bonds in his own stock exchange, managed by his own crowd of financiers, that finally found this value of \$12,000,000,000 for all the stocks and bonds, as I have quoted. I did not make that market; no law of Congress made that market, and yet he insists upon theoretical schemes of valuation that will impose additional burdens on the farmer, who pays more than half the freight of the country anyway. The farmer always pays the freight. He never adds it in. Other lines of business add it in as a part of the cost of production, as a part of the original cost, and then dispose of their products, not only with freight added in but with a profit and commission for adding in the freight; but the farmer pays the freight; he writes his check for it. When he buys the equipment which is necessary for his person, for his home and for his farm, the freight is all added in after the manner I have described, and he again writes his check for the freight.

Mr. Dunn points out that the radicals who are supporting the policy of confiscation are receiving the support of producers and farmers who are hostile toward the railroads because of the high freight rates, and he speculates briefly concerning the effect of a wholesale policy of confiscation if once entered upon. He says on this point:

"The farmers of this country own more property than any other single class of people. Their farms and other property are valued at almost \$80,000,000,000, or four times as much as the railways—"

Yes; they are valued at six and one-half times as much—

and yet they are the class who are being chiefly relied upon by the radicals to enable them to carry through this program of railroad confiscation. It is hardly conceivable that the class of people who own the largest amount of property in the country will be the first to support a policy of wholesale confiscation of property.

That sounds big; that sounds effective; but you know what the farmers want of the Samuel O. Dunns and the Samuel M. Feltons. There is just one thing they want out of those chaps: They want them to be honest. That is the only thing they ask. They took the farms of the farmers at their fair market value, and the farmers want to pay them a return on the fair market value of their property, using their own rule; but they have succeeded in avoiding that in one way and another, and especially by some of the provisions of the rate-making section of the new railroad law which took effect on March 1, 1920.

The *New York Times* discussed this subject; and, whatever may be said about this subject, they talk about it a little. Yes; I have clippings from every direction about their fear of the confiscation of part of the value of their property. If that be confiscation, I want to say that that outfit of financiers confiscated, as I shall prove to you, more than \$32,000,000,000 of the property value of the farmers of the United States.

Mr. President, I have really forgotten where I was in this speech. I will try to see. If I happen to repeat a sentence or two, will that be against the rules?

The PRESIDING OFFICER (Mr. CAMERON in the chair). No.

Mr. BROOKHART. In order that there may be no mistake upon this proposition on valuation, this time I am going to submit to the Senate the opinion of the Interstate Commerce Commission in Ex parte 74, in the matter of the applications of carriers in official southern and western classification territory for authority to increase rates, found on pages 228 and 229 of Fifty-eighth Interstate Commerce Commission. I think I have that case here. Yes; I have it. No; that is not it, either. I am sorry, Mr. President, but I am afraid I shall have to postpone that until the next section of my remarks is delivered, about day after to-morrow; but, at any rate, I promise you it shall be put in the *Record*.

The Senator from Florida [Mr. FLETCHER] is afraid I shall run out of material here because that document is overlooked. I want to reassure the Senator from Florida. I have two desks' full over there yet.

Mr. FLETCHER. Mr. President, it is very important to have that. I wanted to have it go in the *Record* in connection with the Senator's discussion of it.

Mr. BROOKHART. Let me look again. No; that is not the one.

Mr. Felton next says that the valuations of railroad securities were at the lowest ever reached in 1920, because as a result of Government operation the net rate was actually only 1.7 per cent.

The Senator from Texas [Mr. SHEPPARD] thinks I am talking too loud. He thinks my voice will play out. He does not know me at all. I used that voice for nine months, and it was better at the end than it was at the beginning.

He [Felton] then claims that this condition was brought about by Government regulation. I forget whether I said that once before or not. In answer to this I will say that when the railroads condemn a farm for their use they pay for it only the fair market value, and the Government would have the right to condemn the railroad securities under the same rule. Yes; I have a Supreme Court decision on that point, Mr. President, but I have not that with me. I will produce that, though, before the discussion is ended, and we will see that it gets into the *Record* properly.

I deny that they have been reduced in price by Government regulation. The transportation act was not advocated by me nor by the shippers of the country. It is substantially what was demanded by the association of railroad security holders, and it is Mr. Felton's own bill. I think it is unfair for a railroad president to kick on his own bill. I think he ought to stand by it.

If the value of securities has been forced down in the market, it is because of the mismanagement and the treachery to both the people and the Government of such men as Felton.

He next quotes a valuation of \$13,969,200,000 made by Clifford Thorne in 1913. As I was associated with Thorne at that time, I know how that valuation was made. The market value of the securities of 35 roads was ascertained, and the percentage of this to the whole capitalization of those roads; then the total capitalization of all the roads was multiplied by this percentage. Mr. Thorne intended that these 35 roads should be above the average and always claimed that his valuation was greater than the actual value of the stocks and bonds of all the roads. His purpose was to be conservative and to get a value well above the market price. It is probable that if he had obtained the actual value it would not much have exceeded \$10,000,000,000 at that time. From this basis there is no very great shrinkage in the price to \$12,000,000,000 three years later.

Felton says they have invested four and one-half billion dollars of new capital since 1913. These figures are up to date, swelled a quarter of a billion dollars, and three years past the time we are talking about. Altogether, they should be reduced by one and three-fourths billion dollars, which leaves my original statement well sustained.

This "bird dog," Felton, next seeks to attract the attention of the people away from this valuation by the charge that I participated in public gatherings of socialists and was indorsed by the socialists of Iowa for United States Senator. Why, Mr. President, we have not enough socialists in the State of Iowa to wad a popgun. You would not have anything if you had their indorsement.

I never saw a live one myself. I have heard of them occasionally. I do not know whether it would make any difference if a Socialist indorsed you or not. If you were telling the truth, I rather apprehend it would not, and somehow or other I never got afraid of a bird dog when he barked that kind of names at me. I just let him bark. But there is a purpose in all these statements. They are absolutely false and a part of the usual campaign of the railroads against every man who seeks to tell the truth about their iniquitous system of capitalization—the darkest, blackest pages in the economic history of the world.

I was up in New York the other day, and after I had discussed railroads and other matters a distinguished financier said to me: "How about your Iowa country? You are not fair to the railroads." He said: "Why, I was out in Iowa when your land was worth \$5 an acre, and we built a railroad along beside it, and it was worth \$150 an acre." Then I said: "Yes; Iowa is the best agricultural spot in this big round world. There is not another block of land more than 200 miles square like Iowa, with as little waste land in it as Iowa." I said: "We gave one-

seventh of that princely domain to the railroads, and that one-seventh, at \$150 an acre, would more than pay for them. Then we voted taxes on towns and townships, and we voted bonds on counties, and we built railroads, and now," I said to him, "you own them back here in New York."

That is the way they built the railroads for us. Why, look over the history of the Union Pacific, which comes over to the edge of Iowa. They got Government aid for that road to the extent of about \$30,000 a mile. Those were the days of subsidies. You know, those days are over now. I want to call the attention of the Senator from Washington [Mr. Jones] to that fact. Then, after getting aid from the Government at \$30,000 a mile, they sold bonds to the public at about \$30,000 a mile more, and then they sold stock, \$200,000,000 of it, to the public at about 10 cents on the dollar. They got about \$10,000 a mile more, or \$20,000,000, for that stock—about \$70,000 a mile altogether that these patriotic and philanthropic gentlemen who managed our railroads secured from the Government and the public to build the Union Pacific Railroad. When we got into the evidence of its cost we found that it cost a little less than \$30,000 a mile to build the whole outfit. The rest of it went to New York and other seaports.

That is the trouble with this railroad situation. Oh, yes; they say we want to forget that history; we want to pass all that by. "We are doing better now. We would not do a thing like that at this time." No; but they could do something like Felton did with his road out there. I am going to tell you about that later on in the evening. I have some documents here figuring that all out, and I am going to let you know just how they work things up to date, how they inflate values, and then ask the farmers to pay them rates forever to get a return upon all that dirty water.

Well, you know, we have concluded that if we can get a few more sets of overalls in the United States Senate and in the other House of Congress maybe we can stop that sort of thing; and you know we are perfectly willing to try it, too.

Mr. Felton next seeks to conceal the guaranty provisions of the law because the commission was unable to levy rates high enough to yield the 6 per cent. The failure of the commission to raise the 6 per cent—now 5½ per cent—does not disprove the guaranty, but does prove that the American people have broken down under the burden and can not pay it on any rates under any law.

He next seeks to cover his tracks by the assertion that I prophesied that Government expenses during the war would be \$400,000,000 a year cheaper. In answer to this I want to deny that I ever made any such prophecy in regard to the operation of our railroads by the Government under the management of men like Felton. He takes himself out of the service at that time, and then rushes to the defense of the other managers who sought to discredit Government operation and practice the darkest treason against their country; and I want now to cite in this RECORD a few instances of this treason.

Mr. Felton bases his defense of these traitors upon a general statement of William G. McAdoo, and I want to quote the testimony of McAdoo in the hearing before the Interstate Commerce Committee:

Testifying before the Senate Committee on Interstate Commerce February 1, 1922, William Gibbs McAdoo, Director General of Railroads during the first year of the Federal control, after paying tribute to the loyalty of railroad workers, declared:

(1) That some prominent railroad officials did not or would not render loyal and efficient service and were subsequently removed from management.

(2) That the offending officials failed to maintain average earnings for their corporations, thereby incurring heavy deficits that were met by the Government.

(3) That had these faithless officials performed their full duty while they were intrusted with railroad management there would not have been a deficit during the first year of Federal operation.

(4) That pay rolls were padded, thereby imposing an unjust and unnecessary burden upon the Government of hundreds of millions of dollars.

A check was made upon a division of a road from Ottumwa, Iowa, to Kansas City, Mo., and during the two weeks of this check on the management of that railroad there was not a freight train on the division that got over a single major grade on the road without stopping and cutting in two. In other words, an engine had to travel 250 miles to haul the train 100 miles. The facts were presented to the general manager, he stopped that thing in 24 hours, because it was being done under his orders to discredit Government operation of railroads.

There are some people who are peculiarly disloyal to our Government. If there is any business of the Government that ought to be done by the Government, they take the attitude that they would like to have it for themselves, and they immediately set up the howl that "the Government is inefficient

and its business can not be done by itself, but you must turn it over to us and we will make profits out of it and do it efficiently," but always forgetting about the size of the profits.

In a letter to President Rea, of the Pennsylvania, Mr. McAdoo said on the 17th of January, 1918:

I would not be candid if I did not tell you that I am fully satisfied with the efficiency of the management—

No; it is "I am not fully satisfied." You see, I almost made a mistake there. I left out that "not," and we want all the "nots" properly preserved in the RECORD. So I will have to read that again, if it will not be against the rules:

I would not be candid if I did not tell you that I am not fully satisfied with the efficiency of the management of the Pennsylvania Railroad. I believe that great improvement can be made, and I look to you and the officers of that system to bring that improvement about at the earliest possible moment. * * * I would not be frank if I did not tell you that unless there is a decided improvement in the efficiency of the Pennsylvania system a change in the management will become inevitable.

[At this point Mr. BROOKHART suggested that when the Senate recess to-day, it recess until 11 o'clock to-morrow, when a point of order was made and ruled upon.]

Mr. BROOKHART. Now, Mr. President, that got me all muddled up, and I do not know how soon I will get straightened out, but I think I will some time during the evening.

Mr. McAdoo wrote a similar warning to President Willard of the Baltimore & Ohio Railroad on the date of January 17, 1918, saying:

I would be less candid if I did not tell you that I am dissatisfied with the management of the Baltimore & Ohio. I think it has proven inefficient and unequal to the present situation. I am sure it can be improved and I expect the improvement. I speak thus frankly, because I feel that you ought to know that a change in the management of the Baltimore & Ohio Railroad will be inevitable unless better results are speedily obtained.

You see, when we find out what Mr. McAdoo really thought and swore to about the management of the railroads, it did not attain to that high and patriotic pinnacle which is pictured by the "bird dogs" of the railroad system.

In a letter to A. T. Dice, president of the Philadelphia & Reading Railroad, dated January 19, 1918, Mr. McAdoo said:

I am not at all satisfied with conditions on the Philadelphia & Reading Railroad. From the reports I get it is not measuring up to the demands of the situation. This appears to be due to lack of efficient management. I would not be candid if I did not tell you that unless there is a prompt improvement in operating conditions—

[At this point a page placed a glass of water on Mr. BROOKHART'S desk.]

Mr. BROOKHART. No; take it away. I never drink anything stronger, but I never drink when I am speaking. And now I have lost my place again. I will have to read that letter over again. This is a mighty good letter, anyway. He said:

I am not at all satisfied with conditions on the Philadelphia & Reading Railroad.

From the reports I get it is not measuring up to the demands of the situation. This appears to be due to a lack of efficient management. I would not be candid if I did not tell you that unless there is a prompt improvement in operating conditions a change in management will become inevitable. This is a time of war, and excuses can not be accepted. I do not expect the impossible, but I am sure that an improvement in your railroad can be made through more efficient management.

Yes; it was in a time of war, when these railroad managers owed a patriotic duty to their country, but they deliberately wanted this inefficient management everywhere in order to discredit Government operation and retain the roads which had yielded them so many enormous fortunes in that dark, black history of railroad finances.

Now, again. Mr. McAdoo seems to have talked to most all these railroad chaps, and they do not mention anything about this talk, either, when they jump on me for being a Bolshevik. They forget all about that. To Mr. W. G. Besler, president of the Central Railroad of New Jersey, on January 19, 1918, he wrote, as follows:

We are in a great war and excuses are not worth anything. The only thing that tells now is results. The public demands them and the life of the Nation demands them. I would not be candid—

You see Mr. McAdoo did not miss that "not" in any case. It was there every time. He said:

I would not be candid if I did not tell you that I am not fully satisfied with the efficiency of the management of the Central Railroad of New Jersey. I believe that great improvement can be made, and I look to you and the other officers of that system to bring about that improvement at the earliest moment. I would not be frank if I did not tell you that unless there is a decided improvement in the efficiency of the Central Railroad of New Jersey system a change in the management will become inevitable. This I should deeply regret.

I should not have regretted it as much as Mr. McAdoo if he had removed Mr. Felton and some of the other bird dogs.

I find I have some more of these, Mr. President. I am afraid I shall not have time to get through, but I will do the best I can

Mr. HEFLIN. Mr. President, will the Senator permit me to interrupt him?

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Alabama?

Mr. BROOKHART. I yield for a question, Mr. President.

Mr. HEFLIN. Mr. President, the article which the Senator from Iowa is now reading proves the assertion that I have uttered on this floor time and time again, that there was a conspiracy to bring on deflation. The article which the Senator is now reading from the secret conclave held behind closed doors proves that fact beyond peradventure.

Mr. BROOKHART. Mr. President, I wish to say to the Senator that I have already said that he has hardly yet got started on this Federal reserve bank proposition. The Manufacturers' Record editorial here has some 18,000 words, I believe. It is the longest editorial that was ever written, and it is hotter stuff, I believe, than are the speeches of the Senator from Alabama.

Mr. HEFLIN. I wish to say to the Senator—

The PRESIDING OFFICER. Does the Senator from Iowa yield further to the Senator from Alabama?

Mr. BROOKHART. I yield for a question, Mr. President; but I am not through.

Mr. HEFLIN. The Senator from Iowa was not showing any disposition not to yield when I addressed him. I wish to say to the Senator that I have one of those pamphlets. There were a hundred of them in all and the type was knocked down after the hundred copies were printed. Those copies were to be handed around and secretly used. I obtained one of them the other day, and the Manufacturers' Record also got one of them, upon which that editorial is based. I expect to read from one of them on the floor very soon.

Mr. BROOKHART. I judge from that that the Senator from Alabama has not yet started on this phase of the question. I hope that he may take it up and fully discuss it, because in this first speech of mine I shall not have time fully to present it.

However, Mr. President, I understand the Senator from Washington would like for me to end my first speech now, and I wish merely to finish this quotation. Then I shall yield.

Mr. JONES of Washington. The Senator from Iowa is mistaken.

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Washington?

Mr. JONES of Washington. The Senator from Washington is enjoying the speech of the Senator from Iowa very much.

Mr. BROOKHART. I thank the Senator. Just a little bit more and then I shall consider the proposition which was made to me by the Senator from Nebraska [Mr. HITCHCOCK].

And I think we are all agreed it would be very ill advised to give out any impression that any general overhauling of rates was discussed at this conference. We have discussed the general credit situation in your committee, which has been appointed with plenary powers, will prepare a statement which will be given out to the press to-morrow morning, and we will all see what it is. You can go back to your banks and, of course, tell your fellow directors as frankly as you choose what has happened here to-day, but caution them to avoid any premature discussion of rates as such. We have had an exceedingly interesting day, gentlemen. The suggestions which have been made are valuable, and we have profited by your views. I wish to express on behalf of the board our appreciation of your coming here and to thank you for the unselfish and loyal interest you have taken in the Federal bank situation throughout the country in giving this matter the careful thought and consideration that you have. And I am sure that the spirit which has manifested itself at this meeting here to-day will spread throughout all the country, to the member and nonmember banks; and if it does we can look the future in the face with courage and confidence.

I have made this preliminary statement for the purpose of showing what happened in reference to these railroad rates about which I have been talking to-night at that same meeting.

Mr. Watts offered the following resolution, which was unanimously adopted:

Resolved, That this conference urge as the most important remedies that the Interstate Commerce Commission and the United States Shipping Board give increased rates and adequate facilities such immediate effect as may be warranted under their authority, and that a committee of five be appointed by the chair to present this resolution to the Interstate Commerce Commission and the United States Shipping Board with such verbal presentation as may seem appropriate to the committee.

There was the financial board planning to boost the rates upon the farmers of the United States at the same moment they were planning the most disastrous deflation ever dreamed of in the history of man.

Here is what the Manufacturers' Record says of that deflation. I especially invite this to the attention of the Senator from Alabama when extravagant statements are spoken of. In certain quarters it may have been thought that the Senator from Alabama was extravagant in his statements, but here is what the Manufacturers' Record says:

As the Manufacturers' Record showed a few weeks ago the decline in the value of farm lands in 1920 and 1921 under deflation amounted to about \$18,000,000,000 and the decline in the value of farm products

of these two years, as compared with 1919 prices, showed a decrease of over \$14,000,000,000, making a total loss to the farmers of upwards of \$32,000,000,000.

Mr. President, the Government of the United States, through its Federal Reserve Board, through its commissioners who have put these rates upon the farmers of the United States, brought calamity upon the farmers of this country. Now, it is seeking to add further to the calamity by providing another subsidy for shipping and entirely ignoring the farm legislation that is so essential to give us even a little chance to recover from this great calamity. There never was a situation that so strongly demanded that the shipping bill should be dropped, that this motion be voted down, and that the farm legislation be considered; yet I do not know whether or not it will be done. I do know, however, that whether it is done or not, whether the farmers get any chance or not, some of us in this Chamber are going to keep the pledges we made to the farmers of our States; and if I close my speech at this time, the next time I speak I promise you that I shall make a presentation of what the farmers of the State of Washington and some other States think. I think the farmers are all alike from Boston to Seattle. I think there is no difference in their opinion. I think, yes, I know, every labor organization and every national farm organization has declared against this ship subsidy bill. There is nobody asking for it except those who seem to think they may profit out of the subsidy that will be taken from the Treasury of the United States and turned over to a few private parties for carrying on the shipping enterprise.

Mr. HEFLIN. Mr. President—

The PRESIDING OFFICER. Does the Senator yield to the Senator from Alabama?

Mr. BROOKHART. I yield to the Senator.

Mr. HEFLIN. Just a question in that connection, if the Senator will permit me. The Senator has pointed out that Mr. Edmonds, the editor of the Manufacturers' Record, has called attention to the fact that deflation cost the farmers of the United States in the deflation of farm products and of farm lands \$32,000,000,000, which is \$9,000,000,000 more than the war debt of all the people of the United States, so that the farmers of the United States have been forced to suffer these losses for the benefit of a few people in the United States.

Mr. BROOKHART. And also have to pay the war debt to a large extent.

Mr. CURTIS. I ask if the Senator from Nebraska objects to the unanimous-consent agreement that when the Senate concludes its business to-day it recess until 11 o'clock to-morrow?

Mr. HITCHCOCK. I object to it in that form. I am willing to take a recess until to-morrow morning at 11 o'clock, but I want that to end the evening session. If the Senator wants an executive session, he can move it.

The PRESIDING OFFICER. Objection is made.

Mr. JONES of Washington. If the Senator objects, very well.

Mr. BROOKHART. That is what I understood to be the Senator's proposition.

Mr. HITCHCOCK. It was.

Mr. BROOKHART. It was not a part of the agreement that an executive session would be had.

Mr. HITCHCOCK. That was not a part of the proposed unanimous-consent agreement.

Mr. CURTIS. We do not ask that that be a part of the unanimous-consent agreement.

Mr. JONES of Washington. The proposition was that unanimous consent be given that when the Senate closes its business to-day it recess until 11 o'clock to-morrow.

Mr. HITCHCOCK. The proposition was to recess until to-morrow morning at 11 o'clock.

Mr. JONES of Washington. No suggestion of that kind came to me.

The PRESIDING OFFICER. Objection is made. The Senator from Iowa will proceed.

Mr. HARRISON. Mr. President—

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Mississippi?

Mr. BROOKHART. I yield.

Mr. HARRISON. I suggest the absence of a quorum.

Mr. CURTIS. I make the point of order that there has been no business transacted since the last call for a quorum. This discussion has not been business, and the Senator from Iowa has not yielded the floor for any purpose except to reach an agreement.

Mr. HARRISON. The Senator has yielded the floor.

Mr. HEFLIN. The request has been submitted to the Senate.

Mr. CURTIS. The Senator from Iowa has not yielded the floor; he still holds it to ascertain whether a unanimous-consent agreement can be reached.

Mr. HARRISON. I suggest that the Senator from Iowa yielded the floor so that a unanimous-consent request might be made, to which unanimous-consent request objection was made, which is the transaction of business. Now I suggest the absence of a quorum.

The PRESIDING OFFICER. Does the Senator from Kansas raise a point of order?

Mr. CURTIS. I raise the point of order that there has been no transaction of business since the last quorum was called, and the Senator from Iowa has not yielded the floor.

Mr. HEFLIN. Mr. President, the Senator from Washington submitted a unanimous-consent request to the Senate and the Senator from Nebraska objected to it. If that is not business what is it?

The PRESIDING OFFICER. The Chair is ready to rule. This question in almost substantially the same form arose during the night session the other evening, at which time the Chair held that a suggestion for a unanimous-consent agreement had not been perfected unless the Chair had become an element in it and had asked if there was objection, in which case it would constitute business. On this occasion a request was made for unanimous consent, and the Chair asked if there was objection, and an objection was interposed by the Senator from Nebraska. Consequently, the Chair rules that the call for a quorum is in order, and the Secretary will call the roll.

Mr. BALL. Mr. President—

Mr. HARRISON. Without losing the right to call the roll, I think we had better go ahead—

Mr. HITCHCOCK. Mr. President, let us have the roll called. I demand the regular order.

The PRESIDING OFFICER. The Secretary will call the roll.

The Assistant Secretary called the roll, and the following Senators answered to their names:

Ashurst	Frelinghuysen	McCumber	Sheppard
Ball	George	McKinley	Smith
Brandeggee	Hale	Moses	Stanley
Brookhart	Harrison	New	Sutherland
Broussard	Hefflin	Oddie	Swanson
Bursum	Hitchcock	Pepper	Wadsworth
Calder	Jones, Wash.	Phipps	Warren
Capper	Kendrick	Polndexter	Weller
Curtis	Lenroot	Reed, Pa.	
Edge	Lodge	Robinson	

The PRESIDING OFFICER. Thirty-eight Senators having answered to their names, a quorum is not present. The Secretary will call the names of the absentees.

The Assistant Secretary called the names of the absent Senators, and Mr. CAMERON, Mr. ERNST, Mr. NORBECK, Mr. SHORTRIDGE, Mr. SPENCER, Mr. WALSH of Massachusetts, and Mr. WATSON answered to their names when called.

The PRESIDING OFFICER. Forty-five Senators having answered to their names, a quorum is not present.

Mr. CURTIS. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The PRESIDING OFFICER. The question is on agreeing to the motion made by the Senator from Kansas.

Mr. HARRISON. On that I ask for the yeas and nays.

The yeas and nays were ordered, and the Assistant Secretary proceeded to call the roll.

Mr. FRELINGHUYSEN (when his name was called). I transfer my general pair with the Senator from Montana [Mr. WALSH] to the senior Senator from Minnesota [Mr. NELSON] and will vote. I vote "yea."

Mr. LODGE (when his name was called). I transfer my pair with the Senator from Alabama [Mr. UNDERWOOD] to the Senator from Oregon [Mr. STANFIELD] and will vote. I vote "yea."

Mr. McKINLEY (when his name was called). Has the junior Senator from Arkansas [Mr. CARAWAY] voted?

The PRESIDING OFFICER. That Senator has not voted.

Mr. McKINLEY. Then I withhold my vote.

Mr. NEW (when his name was called). I transfer my pair with the junior Senator from Tennessee [Mr. McKELLAR] to the junior Senator from Idaho [Mr. GOODING] and will vote. I vote "yea."

Mr. REED of Pennsylvania (when his name was called). I transfer my pair to the Senator from Vermont [Mr. PAGE] and will vote. I vote "yea."

Mr. SMITH (when his name was called). I have a general pair with the Senator from South Dakota [Mr. STERLING]. I transfer that pair to the Senator from Nevada [Mr. PITTMAN], and will vote. I vote "nay."

The roll call was concluded.

Mr. EDGE (after having voted in the affirmative). I transfer my pair with the senior Senator from Oklahoma [Mr. OWEN] to the senior Senator from Maryland [Mr. FRANCE], and allow my vote to stand.

Mr. McKINLEY. I transfer my pair to the junior Senator from Minnesota [Mr. KELLOGG], and will vote. I vote "yea."

Mr. BALL (after having voted in the affirmative). I transfer my pair with the senior Senator from Florida [Mr. FLETCHER] to the junior Senator from Oklahoma [Mr. HARRELD], and will allow my vote to stand.

Mr. SWANSON (after having voted in the negative.) Having a pair for the night with the senior Senator from Michigan [Mr. TOWNSEND], I transfer that pair with him to the junior Senator from South Carolina [Mr. DIAL], and will let my vote stand.

Mr. KENDRICK (after having voted in the affirmative). Has the Senator from Illinois [Mr. McCormick] voted?

The PRESIDING OFFICER. That Senator has not voted.

Mr. KENDRICK. I have a general pair with that Senator, which I transfer to the Senator from Rhode Island [Mr. GERRY], and will allow my vote to stand.

Mr. WATSON. I transfer my general pair with the senior Senator from Mississippi [Mr. WILLIAMS] to the senior Senator from Utah [Mr. SMOOT], and will vote. I vote "yea."

Mr. CURTIS. I have been requested to announce the following pairs:

The Senator from Louisiana [Mr. RANDELL] with the Senator from Idaho [Mr. BORAH];

The Senator from Vermont [Mr. DILLINGHAM] with the Senator from Virginia [Mr. GLASS];

The Senator from West Virginia [Mr. ELKINS] with the Senator from North Carolina [Mr. SIMMONS];

The Senator from Kentucky [Mr. ERNST] with the Senator from Kentucky [Mr. STANLEY];

The Senator from Rhode Island [Mr. COLT] with the Senator from Florida [Mr. TRAMMELL];

The Senator from Maine [Mr. FERNALD] with the Senator from New Mexico [Mr. JONES];

The Senator from North Dakota [Mr. McCUMBER] with the Senator from Utah [Mr. KING];

The Senator from Connecticut [Mr. McLEAN] with the Senator from Montana [Mr. MYERS];

The Senator from Ohio [Mr. WILLIS] with the Senator from Ohio [Mr. POMERENE]; and

The Senator from Iowa [Mr. CUMMINS] with the Senator from North Carolina [Mr. OVERMAN].

The result was announced—yeas 29, nays 8, as follows:

YEAS—29.

Ball	Hale	New	Sutherland
Broussard	Jones, Wash.	Norbeck	Wadsworth
Bursum	Kendrick	Oddie	Warren
Cameron	Keyes	Pepper	Watson
Capper	Lenroot	Phipps	Weller
Curtis	Lodge	Polndexter	
Edge	McKinley	Reed, Pa.	
Frelinghuysen	Moses	Shortridge	

NAYS—8.

Brookhart	Hefflin	Robinson	Smith
George	Hitchcock	Sheppard	Swanson

NOT VOTING—59.

Ashurst	Fletcher	McCumber	Shields
Bayard	France	McKellar	Simmons
Borah	Gerry	McLean	Smoot
Brandeggee	Glass	McNary	Spencer
Calder	Gooding	Myers	Stanfield
Caraway	Harreld	Nelson	Stanley
Colt	Harris	Nicholson	Sterling
Couzens	Harrison	Norris	Townsend
Culberson	Johnson	Overman	Trammell
Cummins	Jones, N. Mex.	Owen	Underwood
Dial	Kellogg	Page	Walsh, Mass.
Dillingham	King	Pittman	Walsh, Mont.
Elkins	Ladd	Pomerene	Williams
Ernst	La Follette	Randell	Willis
Fernald	McCormick	Reed, Mo.	

So Mr. CURTIS's motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will carry out the order of the Senate.

Mr. HARRISON. Mr. President, is my name recorded?

The PRESIDING OFFICER. The Senator is not recorded as having voted.

Mr. HARRISON. I vote "nay."

Mr. WADSWORTH. It is too late.

The PRESIDING OFFICER. The result having been declared, it is too late now for the Senator to be recorded.

Mr. HARRISON. I ask unanimous consent that my name may be recorded in the negative.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Mississippi?

Mr. CURTIS. Mr. President, I object to any business being done until a quorum is secured.

The PRESIDING OFFICER. Objection is made.

After a little delay, Mr. FLETCHER, Mr. KELLOGG, Mr. COLT, and Mr. KEYES entered the Chamber and answered to their names.

to get all of these in before the sun rises in the morning. Oh, there is a lot of time. It is only 17 minutes past 8 right now.

"If, in these circumstances," asks Mr. McAdoo, "there had been no deficit, what becomes of the charge of extravagance and wasteful inefficiency now preferred against Federal control? Do not these figures show that the waste, inefficiency, and incompetency, if any, was shown by the railroad executives when they were operating the railroads for account of the Government during the first five months of 1918?"

"What excuse can they offer for their reckless and indiscriminate criticism of the operation of the railroads under Federal control when, figured on any basis, by far the greater part of the deficit for the year 1918 occurred when they were operating the carriers for the account of their Government?"

Again:

To the charge of inefficiency is added that of disloyalty, or worse, made by Frank McManamy, assistant director of operations during Federal control, who declared that railroad officials "have wrongfully paid out millions of dollars" in padded pay rolls. These overpayments, Mr. McManamy said, "were deliberate," and in direct violation of the instructions of the director general.

Now, here is what he says:

The record, then, clearly shows that some railroad officials were incompetent and inefficient, as well as dishonest; and that during the most critical period of the Nation's history they withheld the loyal and willing service that was cheerfully given by the railroad workers.

I shall have to withdraw that last statement as it was not a part of the quotation. I want to get this exactly right, Mr. President. It is important that we be very particular in that respect, especially this evening. It is true, but not the statement of McManamy.

Mr. President, I have pointed out some of the evidence furnished by the Director General showing the disloyalty of the managers of these roads during the war-time operation for the express purpose of discrediting Government operation; yet, bad as that management was during all that time, inexcusable and unpatriotic as it was, nevertheless it was \$1,426,000,000 cheaper to the American people than the first year of operation after the Government turned the roads back to private control. I am not going to back away from the statement I made, for it is true. I have talked to railroad workers in many States, and everywhere they have told me the same story; how the management directed them to do things inefficiently in order to muss up the service and disgust the public and also to increase the expenses.

With all that record it is not fit that a Senator of the United States should find out facts! He is a bad man who finds out the truth about that, and he is a terribly bad man if he gets up in the midst of a filibuster and tells the folks about it. I believe the Senator from Mississippi [Mr. HARRISON] would say that I am getting every day in every way worse and worse. [Laughter.]

Mr. President, I want to tell you more about my friend Felton, of the Chicago & Great Western. I promised to do so, and I will do it now.

This Great Western Railway, managed and operated by this same Samuel M. Felton, is a wonderful piece of economic machinery. It has a financial story that is not second to very many. It is almost entitled to a championship place.

The Chicago & Great Western Railroad Co., which was a reorganization of the Chicago & Great Western Railway Co., issued, upon its organization, capital stock of the par value of \$86,268,115 and bonds of the par value of \$18,500,000.

I hope the Senator from Kansas [Mr. CURTIS] will preserve all those figures, for they are very important.

For the total capital liability thus created the new company received, as shown by the records of the former railroad securities commission, only \$33,214,443.31 of consideration.

I think almost anybody can remember that 31 cents.

It is true, however, that from the proceeds of part of the securities delivered to the reorganization managers under the agreement between them and the various stockholders' committees, were paid notes of the old company, together with interest, amounting to \$10,653,414.

I wish to say to the Senator from Washington that while he was out of the Chamber I gave some very important figures, and, if the Senator desires to get them, I will repeat them.

Mr. JONES of Washington. I have no objection to that. The Senator from Iowa can use the time that way just as well as in any other.

Mr. BROOKHART. The Senator from Washington is the most accommodating filibusterer in the world. His record is clear on every point.

In a sense this may be considered a consideration received by the new company; or, rather, the stocks of the old company, which were received by the new in exchange for its own capital stock, may rightly be deemed of proportionately higher value with the note obligations of the old company, which had priority over them, extinguished. Adopting this more liberal view of the value behind the stocks and bonds of the new company on its organization, the total increases to \$43,867,857.31.

I call the attention of Senators particularly to the fact that the 31 cents stuck all the way through.

For this value received, the company issued its stocks and bonds to the amount of \$104,768,115. The market value of the bonds issued, having been at that time \$17,020,000, the assets remaining behind the new stock amounted to only \$26,847,857.31. There is, therefore, \$59,420,257.69 (or about 70 per cent) of "water" in the outstanding stock of the Chicago Great Western Railroad Co.

We lost the 31 cents that time, because we had to subtract it to get that 69 cents; but the big point in the proposition is that my friend Felton's road—this man Felton who calls down governors, Senators, and anybody else who tell about a railroad—is operating a road on a lake of \$59,000,000 of water. I think he ought to be changed to a navigation manager. Then I think the Senator from Washington ought to give him a subsidy. However, I think I will show a little later on that he has got a subsidy now. I have some documents upon that question, and, if Senators will remain long enough, I shall try to get to it later in the evening.

There is another thing about Felton and his railroad financing and about his method of getting the farmers to pay freight rates. He goes on the stand in a rate case—I have heard him, and so I know—and swears under oath that they can not earn any percentage on the capitalization of the Great Western Railway. Of course, anybody would know that, for when this \$59,000,000 of water comes in sight there would not be much return on that kind of a road, anyhow. Of course, however, he is not particularly asking for the Great Western, because Senators will understand that Mr. Felton is the bird dog of the organization and he is acting for his master. We want to find out who the master was. There is some evidence about that in these same capitalization figures:

The totals of the amount of "water" above shown to exist in both classes of the capital stock of the Chicago Great Western Railroad Co. is \$59,420,257.69—

I read that a few moments ago—

That this amount is correct may also be shown without regard to the proportion contained in each class of stock. The total amount of new stock issued directly by the present company under the reorganization was \$44,489,078; the amount of stocks and bonds issued to the syndicate were \$60,277,937; grand total, \$104,767,015. The total consideration received by the company directly and through the syndicate in cash and old securities was \$43,867,857.31; excess of par value of new securities above the value received therefor, \$60,899,157.69; deducting the difference between the par value and the market value of the \$18,500,000 bonds sold, viz. \$1,480,000, the true amount of water is again seen to be (after adding the \$1,100 (par) of common stock issued and not included in the published reorganization plan), \$59,420,257.69.

Mr. President, that is not really what I wanted to explain. I omitted some other figures, and I think I will have to go back and read them. I quote:

Upon analyzing the plan under which the new securities were issued it will be found that the water is distributed as follows:

I wanted to know something about the distribution of that water in the Chicago Great Western Railroad Co. Distribution is an important item. I found that out when we came to distribute the time for this debate, for it took me four days to get the floor, and I do not want to give it up for four days more if I can help it.

I. In the new preferred stock—

(1) \$30,884,798 of new preferred stock was issued in exchange for the old debenture stock having a market value of \$10,971,757.99. Water was injected, therefore, to the amount of \$13,913,040.01—

I would hate to lose that one cent—

(2) \$10,136,604 was issued to the reorganization managers and sold to the syndicate formed to provide necessary cash for the new company. This syndicate furnished the company \$20,653,414 (including amount paid to the note holders of the old company above referred to). But they received bonds of the company, having a market value of \$17,000,020. Therefore, the total consideration applicable to this amount of preferred stock was only \$3,633,414, and the water in same is \$6,503,190.

Total water in the \$41,021,402 of preferred stock outstanding (almost 50 per cent) \$20,416,230.01.

That is the water job that is managed by Samuel M. Felton.

II. In the new common stock.

(1) Common stock to the amount of \$13,604,280 was issued in exchange for the old preferred stock A, which had a market value of \$3,125,810.07.

It was worth \$3,000,000, but there were \$13,000,000 of common stock issued for it.

Of common, therefore, more than 75 per cent is "water," or \$10,478,469.93.

Then there is another item here of \$28,525,557.75, making the total "water" in the \$45,246,713 of common stock outstanding over 86 per cent—\$39,004,027.68.

There is something else in here that I seem to have missed. Here it is. I wanted to find out who was Mr. Felton's boss in all these transactions. I should like to get some of this farm legislation under consideration, if we could do something for the farmers in some way, and Mr. Felton and these chaps who get after me about this question would like to get more

stocks and more bonds and more "water" and more rates and more dividends.

Here they say:

It is worthy of note that in addition to the fee of \$500,000 paid to Morgan & Co. under their agreement with the committees of the various stockholders of the old company the Morgan syndicate made a profit of \$6,003,190. It is not clear how the syndicate rendered any such service to the new company or to the former stockholders as would justify entitle them to any such profit. Apparently the only detail of the final reorganization plan which necessitated the service of bankers was the sale of \$18,500,000 of bonds. As these bonds are secured by an absolute first mortgage on the entire property of the Chicago Great Western Co., it certainly seems that \$6,000,000 is an excessive price to pay for underwriting such an issue.

Morgan & Co., who charge us \$6,000,000 for getting a mortgage of \$18,000,000 on a property worth twice that much, hail from the State of New York, and maybe the Senator from New York can explain to me why they charge our farmers such a figure as that out West. The Senator just smiles. He does not explain.

Mr. CALDER. Mr. President—

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from New York?

Mr. BROOKHART. I yield for a question. I do not yield this floor.

The PRESIDING OFFICER. The Senator yields for a question.

Mr. CALDER. I regret very much that I did not hear the Senator's statement fully as I came in.

Mr. BROOKHART. I will read it over to the Senator.

Mr. CALDER. I am quite sure, however, without knowing anything of the facts, that the statement that 33 per cent was charged for obtaining a loan on a piece of property worth twice the value of the loan would hardly be borne out by the facts when they are all known. I say this without having any knowledge at all of the subject the Senator is discussing.

Mr. BROOKHART. In this case the Senator, then, does state that the farm bloc really has a kick on Morgan & Co.?

Mr. CALDER. I say to the Senator that there is no occasion for anybody anywhere in America, if he has property worth twice the value of what he wishes to borrow, to pay 33 per cent for just the pleasure of giving some one a bonus for lending the money.

Mr. BROOKHART. The Senator says it was all right 25 or 30 years ago, but it would not do now. Is that the idea?

Mr. CALDER. No; I did not say it was all right at any time. I did not say that, and the Senator knows I did not say it.

Mr. BROOKHART. I beg the Senator's pardon. The Senator from Utah interrupted me, and I did not hear all that he said.

Mr. CALDER. I say that there is no property in America, I do not care where it is, where there is any occasion to pay a bonus of 33 per cent, if the property proposed to be mortgaged is worth twice the value of the money desired.

Mr. BROOKHART. On that point I will have to let the Senator know that this was not ancient history of the Great Western. It was its reorganization, the last one they had. That is the way they fixed us out in Iowa. Do you wonder that we are all turning Bolshevik out in that country?

Mr. KING. Mr. President, will the Senator yield for a question?

Mr. BROOKHART. Yes.

Mr. KING. Only a question: I will inquire of the Senator whether, in his examination of the activities of Morgan & Co. and the promoters of the Mercantile Marine Co. he has not discovered that the same persons or the same factions described in the document from which the Senator is now reading promoted the Mercantile Marine Co. with a view to controlling the freight rates upon land as well as the freight rates upon the sea?

Mr. BROOKHART. I shall be very glad to answer the Senator's question about to-morrow afternoon. [Laughter.] I have some very elaborate statistics of the interlocking directorates, and some charts in white and black and red and green and blue, showing how they are all scrambled up together, and you can not unscramble them even with a Supreme Court. Yes; they are all mixed together. They are all after us in the same way. That has been the trouble. Here are about 7,000,000 farmers working 16 hours a day for a living, and here are six or seven million laboring people working the same way, and then nearly all of the net income is going to the combination of a few gentlemen organized in that way. There is something in organization, you see; but I am afraid the Senator got me off my subject a little.

I was talking about one Samuel M. Felton, president of the Chicago & Great Western Railroad Co. Now, let us get that right. It used to be the "railway" company, and then Morgan

& Co. came down from New York, changed its name from "railway" company to "railroad" company, and charged us \$6,000,000 for doing it; and it is the president of that outfit that has printed my name in all the papers all over the country that would carry it, and a lot of them seem to have carried it. I think maybe they will find out that I am harmless after a while, and I will not be such good news in these papers; but at the present time it makes me an awful lot of trouble explaining these things out, and that is why it is nearly 9 o'clock and I have only gotten about half-way through with Felton yet.

Now, let us see something about the subsidy proposition in reference to this. It seems that there was some question about subsidies in reference to the management of this road. I wonder if I have lost that document. If I have, I will say that you will all have to come back to-morrow night. It will not do to miss that. The document to which I refer related especially to the patriotic action of these railroad presidents. Take this man Felton, for instance. Before the war, when times were good, he only charged us \$40,000 a year for the mismanagement of this waterlogged railway out in our country. After the war was over and the times got real bad, he could not live on that, and he raised it \$10,000, and we have to pay him \$50,000 now for running this road and for paying Morgan \$6,000,000 of our money for changing the name from "railway" to "railroad." There is a lot of trouble, I will tell you; and I want to call the attention of the Senator from New York again to the fact that it is not only the farmers of Iowa that are getting roused up about some of these things. I met a bunch of farmers from New York the other day, and, do you know, they were talking the same way as those farmers do out West.

Oh, there is not any section any more in this farm bloc. The farmers of the Pacific coast, the fruit growers out there, the cotton growers of the South, the cattle raisers of the Rocky Mountains, the corn growers of the Middle West, and the dairymen of the East are all talking the same language; and if you read the Washington Star you saw a picture of that language in the cartoon the other night. They figured out how the United States would really look after the farmers got in here, and they are coming. Now, mind that.

The Senator from Alabama [Mr. HEFLIN] has just furnished me a copy of that picture. It is entitled "The Iowa Idea of a United States Senate." I wonder if they are blaming that to me?

Here is one Senator with a document almost as formidable looking as the Evening Star, and it is entitled "Care of Live Stock"; and evidently that Senator has not found out that there is a senatorial barber shop here, from the looks of his whiskers. Then we see "A bill to abolish 'billed' linen." Well, you know, we had an exhibition of that here the other day. I remember that Boston tea party, one of the most celebrated parties ever held in the history of the United States, and that party, as I recollect, was given in jeans, pants, and cowhide boots; but the other night here in the Senate we had to send out the Sergeant at Arms to bring in a social bloc to make a quorum, and they came in their evening togs, too. It will be a different-looking Senate when the farmers get here, and I will tell you, you had better look out for those togs.

The next one down the line has a book on hog hygiene. I want to tell you the State of Iowa has 7,000,000 hogs. We raise three times as many hogs as any other State in the Union. We are experts on that, and I want to say it takes more brains to know all about hogs than it does to know about United States Senators.

The next Senator is speaking. I should judge, from the gesture he is making, that he is in a filibuster. He says: "Mr. President, put that guy out." I do not know which one he referred to in that case. I see he is pointing at the boiled shirt. I did not catch that.

Another one has in his hand a document called "Flapper Weekly." I wonder if the Senator from Kansas [Mr. CAPPER] can explain that? I never saw that paper.

There is another one who says: "Yep, but it killed half o' mine." I do not know whether that is in reference to the paper or not. There are some very deep-seated observations in this cartoon of the United States Senate of the future, when the farm bloc really gets to going. At any rate, I am going to invite that cartoonist out to my State and show him a live farmer some day. He is so used to these social blocs here that I do not believe he ever saw one; but he made a good guess and a good picture.

There is the Senator from Illinois [Mr. McCORMICK]. He knows a lot about these cartoons. Maybe he could explain how all these farmers got into the United States Senate so suddenly. I will say this much to the Senator from Illinois:

He came out into Iowa and made one speech, and it did not defeat me. [Laughter.]

Mr. McCORMICK. Mr. President, does the Senator mean that he did not want the help of the senatorial committee in the campaign?

Mr. BROOKHART. Oh, no; I was awfully glad to get it. I would not have gotten a silk-stocking vote in the State if the Senator had not come out there.

Mr. McCORMICK. What about the more material assistance that the Senator received?

Mr. BROOKHART. Oh, yes; it was all very welcome. I hope the Senator comes out again. I did not want the Senator to take that so seriously. That worries me a good deal. I was just joking, you know. I will say to the Senator further that they have been making me a lot of trouble here this evening. They have been bothering me a good deal. You know, I am new and quite green, and I get mixed up a good deal as I go along.

Mr. President, I am going now to change and take up another phase of this matter. I want to talk a little bit about this system which they present constantly to the American people in reference to their straitened finances. Whenever you find anybody talking for a railroad he always tells you how their credit is broken down, their earnings are getting less and less, getting worse and worse all the time, and the only cure for it is high rates.

In 1915, on this same line of argument, they conducted a campaign for higher freight rates, a horizontal increase straight up in all rates, and they advertised their condition all over the State of Iowa. I believe there are about 700 newspapers in the State of Iowa. They are the only people in hard lines I ever knew who advertised it and paid for putting it in the newspapers, but they did it; and I want to submit for the consideration of these empty seats here to-night some of their principal advertisements.

Here is one that was published in all these papers out in Iowa. You know, one of the convenient things about a railroad advertising in a newspaper is that the farmers have to pay for it, after all. They never forget to charge rates enough to pay the bill. That makes it a very handy plan, but it is a part of this same plan of publicity that my friend Felton, of the Great Western, used and practiced on me.

It reads:

That the railroads of the United States are to-day confronted by the greatest crisis in their history there is not the slightest question.

That sounds familiar, does it not? It is the same old story.

For some years they have been desperately struggling with an ever-increasing cost of operation in the face of reduced freight and passenger rates. But, serious as this situation was before the European war, which has indefinitely closed to them the foreign money markets, has suddenly brought them face to face with a situation which threatens not merely many new receiverships but the actual paralysis of the entire transportation industry of the Nation.

Now, is not that awful? This was 1915, when they were wanting advanced rates.

It was this state of affairs which compelled the closing of the New York Stock Exchange some months ago. What will happen in the future the future alone can tell. American railroads are valued, in round figures, at \$20,000,000,000, and of this vast sum nearly \$5,000,000,000 worth of securities are held abroad. Should Europe in its frantic struggle for funds seek to convert these securities into cash during the next few months, where is the money to come from with which to buy them?

I would not know, I will admit—

And falling to protect the securities, what demoralization will follow, not merely in railroad investments but in all other American industrial values as well?

This is an extract from a paid advertisement in all of the Iowa newspapers.

Mr. CALDER. Is that a recent advertisement?

Mr. BROOKHART. In 1915—just preceding the advanced-rate case of 1915. It is quite recent.

Mr. CALDER. My information is that Europe has disposed of all of its American securities.

Mr. BROOKHART. Yes; and we bought them and loaned Europe ten or eleven billion dollars besides, did we not?

Mr. CALDER. Yes.

Mr. BROOKHART. So there was not much in the great, big scarecrow they hung up on our garden fences out in Iowa, was there?

Mr. CALDER. Well, I do not know. I am inclined to think that if we had been called upon to meet that demand of \$5,000,000,000 in a little while without the immense profits that came to us during the early days of the war we would have had a hard job to meet it. We took the \$5,000,000,000 worth of securities held in Europe and paid for them with war supplies at extraordinary prices, and they were returned to us without any difficulty and without upsetting market conditions.

But in time of peace if Europe had called upon us to pay \$5,000,000,000 within a short period I think we would have had some difficulty, and it is possible it might have resulted in a serious panic.

Mr. BROOKHART. The Senator thinks if they offered them for sale and we did not have the money to buy them, they would have to keep them.

Mr. CALDER. No; if they had dumped them upon our market, it would have been a pretty serious condition for the value of American securities of every character.

Mr. BROOKHART. That is an awfully bad thing for railroad securities or anything like that to come down, is it not?

Mr. CALDER. To come down to a considerable extent, yes; because that affects the whole market condition of the country. It always has done so, I will say to the Senator, in the experience of the country in the past.

Mr. BROOKHART. Well, yes; and it is bad when the railroads squeeze the farm values down in the same way.

Mr. CALDER. Oh, I agree with that.

Mr. BROOKHART. I believe the Senator from New York and I will get along pretty well after he gets a little better acquainted with the farm bloc.

Mr. CALDER. If the Senator will permit me, I think perhaps, outside of the State of Iowa and one or two others, we have as many farmers in New York as any State in the Union.

Mr. BROOKHART. But they are not as "blocky" as ours.

Mr. CALDER. They are not as blocky, perhaps, because they, being nearer the markets, do not have the physical difficulties in marketing their products. I know the Senator's farmers have hard times and our farmers have hard times, too; but our nearness to the market makes it easier to turn our products into money than for the Senator's farmers. I have a great deal of sympathy for the farmer, and if the Senator will show me where I can help them at any time he will find me on his side.

Mr. BROOKHART. I am trying to show the Senator now where he can help. That is why I am talking about the railroads to-night. I want to show the Senator that practically always all of this claim that their financing is broken down and their credit destroyed is a false alarm put out by their bird dogs for the purpose of deceiving the public and justifying an increase in rates. That is the theory of it. That is why I am arguing it.

Mr. HEFLIN. Mr. President, in order that the Senator—

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Alabama?

Mr. BROOKHART. For a question. Remember, I am holding the floor.

Mr. HEFLIN. I want to help the Senator hold it. In order that the Senator from New York may understand exactly the situation out in Iowa, when the farmer out in Iowa was getting 15 cents a bushel for oats the Senator from New York was paying 50 cents for a saucer of oatmeal at the Willard Hotel.

Mr. BROOKHART. I was never able to stand the dinners at the Willard, but I expect probably that is right. May I ask the Senator if that is correct?

Mr. CALDER. I think the price was 40 cents to-day. [Laughter.]

Mr. HEFLIN. I was quoting from memory what the Senator from New York said at a previous time in an interruption of a speech I was then making.

Mr. BROOKHART. The Senator did not miss it much after all.

Now let us see more about these advertisements of railroad credits. Here is another one that was published in all those papers at our expense. I want Senators to keep that in mind, that all of these luxuries of advertising are at our expense. They are all charged or figured in the operating department in some way.

The net operating income of the railroads of the United States for the year ending June 30, 1914, was \$118,554,875 less than for the previous year. The gross earnings for the year were \$66,698,486 less than for 1913, while expenses and taxes were \$49,535,653 more.

Of course they neglect to show that the comparison which they made was with the greatest year in railroad earnings in all the history of the railroads. These figures are probably correct, but by being arranged in that way, they give an entirely false impression of the situation.

The bond and note obligations which will mature between now and the end of next year, and which the railroads will have to meet in some way, amount to more than \$563,000,000, and this does not take a dollar's worth of new improvements or betterments into consideration.

These are obligations which were incurred in the past and which must be met as they fall due if the transportation companies are to be preserved from wholesale receiverships and ruin. Manifestly, therefore, American investors, big and little, will come to the rescue, and before they will consent to do this American railroad securities will have to be reestablished as a sound, respected, and paying investment, and this, on the basis of present railroad earnings, is impossible.

That is another one of those paid advertisements. Now, I want to say about that that to a man not familiar with railroad bookkeeping and experienced in railroad juggling of figures it sounds like a telling argument. To a man who knows, it is simply the shrewdest kind of a scheme of deception.

In the first place, the figures are a comparison of 1914 with 1913. If 1913 was a fat year, then the earnings might very properly be less in 1914, and that was exactly the situation. It was a banner year, in spite of the fact that they juggled their expense accounts to make it a bad one. They spent \$100,000,000 more for maintenance in 1913 than they did in 1912. They were asking for higher freight rates, and they wanted to make a bad showing, so they spent the money. This helped them in two ways; they made a permanent improvement of their property at the expense of the people, and its tendency was to make a good showing so they could get still more from the people in freight rates.

Here is a concrete example of the juggling on the Pennsylvania Railroad: In 1909 their expenses decreased and were less than in 1908. In 1910 they were asking for increased freight rates, so their books showed an increase of 27 per cent in expenses. In 1911 there was a decrease, and in 1912 there was a slight increase of 2½ per cent. But in 1913 they wanted higher freight rates again, so their expenses increased 29 per cent, and in spite of all this juggling the eastern group earned 8.07 per cent net in 1913 on the whole stock, water and all.

In 1908 every mile of railroad in the United States earned net \$3.171 and every year since has earned more until 1913 when it reached the sum of \$4.233.

Now, again as to these paid advertisements, they put in the papers this statement:

In times of acute financial stress private industries are in position to very largely adjust their affairs to meet the emergency. They can advance the price of their commodities, cut the pay roll in half or shut down altogether, and thus permit the storm to blow over without actual shipwreck. The railroads as quasi public enterprises, however, are in an entirely different position. Their rates are regulated by law, and can not be advanced without the consent of the people through their lawmaking body. In order to please the convenience of the public, and not to break down the commerce of the country, they must operate their freight and passenger trains whether they carry a full load or only a quarter of a load. And in view of these facts it is manifestly unfair to put the railroads in the same class with private industries in the present crisis and ask them to shift for themselves as best they can. When the people took over the complete making and regulation of railroad rates they at the same time assumed the solemn implied obligation to see that the railroads got a square deal, for the people are the only power that stands between them and ruin.

That was another paid advertisement at this same time, part of this tale of woe that went out asking for higher rates in order to restore the credit of the 47 western railroads.

In reference to that I want to say that I am not charging the railroads anything for reprinting their advertisements. What I have just read was an attempt to justify the rate increase because the railroads were not in the same class with private industry. They say their trains must run whether they have a half a load or not. But remember this fact, that in every State in the country we know of a reduction of trains was made when there was not enough traffic to fill them. Out in Iowa, in my own home town, it has not been long since the Rock Island had two fast trains at that station, one east at 10 o'clock in the morning and the other west at 3 o'clock in the afternoon, and also two local trains, one east at 4.35 in the morning and the other west at 9.05 in the evening. All four of those trains have been removed.

In addition to this the railroads are permitted to charge rates high enough to accumulate a surplus to cover periods of depression. The last time I checked up this surplus it amounted to over \$1,000,000,000. It would take a loss of \$166,000,000 a year for six years to eat up the surplus which they have already accumulated. That surplus was also collected from the people, but as soon as it is collected it is forgotten, and when the war comes along, instead of using it, they ask us to put up more money and bear our own losses besides.

Now, Mr. President, I have several more very interesting advertisements here and I am very sorry that I shall not have time enough to read them all to-night. I shall preserve them, however, and perhaps I can present them a little later. However, there are one or two more that I will present now. Here is another one:

It is the American farmer, however, who has no complications ahead of him and whose flour, pork, beef, mutton, and foodstuffs must be depended upon to make up the shortage which is already looming big in the distance because the harvest fields of the most fertile sections of Europe have been converted into a shambles for the contending armies. Exports of breadstuffs from the United States in November were valued at \$40,250,000, or almost four times as much as in November, 1913, while meat and cattle exports amounted to nearly \$14,000,000, or a gain of over 20 per cent over 1913, and this despite our miserable shipping facilities on the high seas.

In the light of these facts was there ever a time when the farmers of Iowa and other Corn Belt States can view the future with as much assurance or when they can so well afford to treat fairly every other great industry in the Nation as now?

Putting it in the terms of sound business policy, was there ever a time when they should do their part to the end that American labor may be profitably employed in all the great channels of industry and that our transportation system may be kept up to a high point of efficiency so that it may adequately discharge the heavy shipping burdens which will undoubtedly depend upon it in the not distant future?

That is another beautiful story to the farmer and reason why he should come to the relief of these railroads in this moment of distress. In reference to that I want to say that the commission decided that the roads were not entitled to their 5 per cent blanket increase in rates in the eastern case. Then the war began. Then began a line of arguments found in the above article.

The commission allowed an increase upon 45 per cent of the tonnage in the western case.

They admit the war has brought calamity to every line of business except farming. They single out farming, point to its great prosperity, and insist it should pay more taxes to the railroads. As to the cotton farmer they say nothing. Although more than one-fourth of all the farmers in our country are cotton farmers, they are not even mentioned. Why? Because they were ruined by the war. The railroad business is not hit one-tenth as hard. If anybody is to be compelled to help anybody else on account of the war, the railroads ought to be compelled to help the cotton farmers.

And how much better off is the northern farmer? They tell you the exports of meat and cattle increased by over 20 per cent in November. Yes; but the price has declined over \$2 per hundred prior to 1915 and since the war began. The larger shipment abroad would give the railroads more business from the farmer, but the lower prices are losing him money. There is not a feeder in the country but who is loser.

That was true up to 1915 and it was true in 1916 and a little in 1917, and 1918 and a part of 1919 were better, and then came the smash of the farmer.

The railroads of the whole country had over a billion dollars of surplus when the war began. And here are a few samples of what they were earning: In 1913 the 35 eastern roads averaged 8.07 per cent on water and all. The Pennsylvania earned 9.50 per cent. In 1912 the Santa Fe earned 6.91 per cent. In 1911 the Chicago, Burlington & Quincy had nearly \$17,000,000 of net corporate income after paying all interest on bonds, taxes, and running expenses of every kind, including lawyers, politicians, and newspaper advertisements. Its whole capital stock was a little less than \$111,000,000. Therefore its net corporate income on all stock was over 15 per cent.

Mr. President, after all these advertisements were put in the newspapers something happened in the trial of the rate case. Something happened to show up this system of propaganda which the railroads of the country had constantly been putting out to deceive the people with reference to their financial situation. Here is another advertisement which brought that to issue. They said:

There is not a single manager of a central or western railroad who will not admit that the present supply of first-class freight locomotives and box cars could not successfully meet the requirements of several bountiful crop years, and yet they have not the funds with which to supply this equipment and thus be prepared for the emergency when it comes, as it undoubtedly will.

So in this advertisement these western roads claimed a shortage of funds even to maintain and keep up their equipment. Then when we reached the trial we began the proof upon this question of credit. This question was asked:

Mr. LORENZ. Would not that have to be considered in order to get a fair picture?

Mr. THORNE. Not to cover the point I was covering. I will state the point to you again, as it is stated in the exhibit.

The carriers have claimed that they have not had the money to maintain their property and that they have had to retrench and go backward. Now, that is true as to some carriers, but as to the carriers as a whole it is conclusively shown by the series of exhibits, including what we have already introduced and those to follow, that the carriers are maintaining their property; they have had the money to spend. They are maintaining it at a higher standard as a whole than ever before in their history, and in spite of not having the money to expend they are spending more in the country as a whole; they spent \$100,000,000 more in 1913 than ever before in their history.

Mr. WRIGHT—

Mr. Wright was the general attorney of all these railroads; he was appearing for these 47 western roads trying to get this advance in rates. He said:

Who in this case is spending more?

Mr. THORNE. In 1914 they spent \$20,000,000 more than that.

Mr. WRIGHT. Who in this case is claiming that they have not had the money to keep up their property?

Mr. THORNE. In the paid advertisements in Iowa—

Some of those were the same advertisements, Mr. President, which I have read to you—

Do you mean to say that—your honor, just a moment. The exhibit was prepared before the introduction of the evidence, and, necessarily, the paid advertisement was drawn forth from a statement by Mr. Wright, asking who had made the claim.

Mr. WRIGHT. In this case?

Mr. THORNE. I say these railroad parties to this case.

Mr. WALTER. Let us waive that. Do you say you have the money?

Mr. WRIGHT. Yes; we have maintained our properties, and we expect to. I have never made any contention of that kind in this case;

and so far as any advertisement in Iowa is concerned, nobody connected with this case in the handling of it has anything to do with it.

Mr. WALTER. My purpose in rising was to get formally on the record the admission—you do have the required money to keep our property in the shape which you think it ought to be in.

Mr. WRIGHT. Yes; I am not going back on that.

Mr. President, I call your attention to that remarkable situation. Here were these railroads putting advertisements in 600 or 700 newspapers in my State, and I presume they did the same—I know they did the same in all of the western section—paid advertisements, marked "paid," all of them advertising the fact that they did not have funds and money with which to maintain their properties; and then when we reached that question at issue in the trial of the rate case before the Interstate Commerce Commission, their attorney, representing all the roads, gets up, repudiates the advertisements for which we had paid and says, "We did have the money, and we have maintained our roads."

Not only that, Mr. President, but after the evidence was introduced the commission passed upon the other proposition.

But before I comment on that I want to say that we introduced to offset their claims of broken-down credit the evidence of the credit of the Government of the United States for the preceding 15 years, evidence of the credit of the four greatest governments—the United States, England, France, and Germany—in combination with 20 of the largest cities in the United States. We called that combined rate of those Governments and cities a pure money rate for convenience. We made a chart of the credit rates that the Governments and the cities had to pay. Then we took the credit rates which these 47 railroads had to pay, and we noted the rise and fall of that credit expense to all those roads. There was a remarkable disclosure when all of that evidence was collected.

That disclosure was, first, that these western railroads had a credit a little bit steadier, one which had not fluctuated quite so much as the credit of all of these great Governments and great cities; and, second, we found that by a small fraction the credits of these railroads had fluctuated a little less than the credit of the Government of the United States. Those facts were undisputed in the record. After we had shown them no railroad company denied them, yet they put out their advertisements and their propaganda to convince the people that their credit was broken down.

Now, here is what the commission say upon this proposition in the decision of 1915, "Western Rate Advance Case. Investigation and Suspension Docket No. 555. Rate increases in Western Classification Territory; submitted June 26, 1915; decided July 30, 1915."

The commission say, upon "The financial evidence":

Under this caption we include, first, testimony relating to the interest rate which the carriers pay on money borrowed; and, second, testimony relating to the return on money invested in their securities. In general, the matters here under consideration are not related, except indirectly, to operating expenses, nor to valuations attaching to the carriers' property, but rather to their securities and their financing. We can not accept as final or determinative in this connection the recital of failures, no matter how well attested, of particular carriers at particular junctures to borrow except at abnormal or prohibitive rates of interest.

Now, then, the particular carrier they used in this case was the Chicago Great Western Railroad Co., and the particular witness they used in this case was Samuel M. Felton, whom I have described somewhat to you to-night.

Nor can we allow the testimony of financial experts as to the relative credit of railroads and other industries at particular times or in individual instances to weigh heavily as against comprehensive statistical studies such as those presented by the protestants' witness Norton.

Mr. President, that means that they went out among the industries and found particular instances of failure or of high interest rates and, using those particular instances as an example of the whole situation, they proved this bad financial condition, when as a whole it did exist. Witness Norton, whom we used, viewed the whole situation in the way that I have described and the commission approved his finding.

Without a detailed analysis therefore of the financial testimony, as defined above, we proceed to set forth the facts of prime importance that seem indubitably established.

The progressive increase in the ruling rate of interest since 1900 has been demonstrated beyond question, and we do not deem it material to go behind the fact into the causes which have operated to bring about this increase. Railroads in common with industries generally have had to pay a rate of interest higher in 1914 than in 1907, and generally higher in 1907 than in 1900.

J. P. Norton, in his exhibit, has shown that the "pure money rate"—that is, the rate paid on Government securities where there is the minimum of risk involved—has risen from about 3 per cent in 1900 to about 3½ per cent in 1907, and to about 3¾ per cent in 1914. He has also shown that the same phenomenon of a rising interest rate in the period 1900–1914 is instanced by the bonds of other public utilities than railroads—

It will be noticed that this parallel runs through everything; that it is not confined to railroads—

by the bonds of manufacturing and other industrial enterprises, by the municipal bonds of the 20 most populous cities in the United States, as well as by the bonds of 8 Western and 10 Southwestern railroads which are parties to the instant case.

So this parallel runs through everything, and the railroads at the time they were telling all the people of the West that their credit was shattered and broken had the steadiest and the evenest credit of any of these institutions, not excepting the Government of the United States.

A summary of this showing is exhibited in the subjoined table, No. 18, which is based upon various exhibits of this witness.

I shall have to read that table. I want to get it in the Record, and it is against the rules to do it without unanimous consent, and everybody is objecting now. I am afraid I shall not have time to read all of these figures, but I will do the best I can. I hope the President will not be too much disappointed if I skip some of them.

The table is as follows:

TABLE 18.—Average yields of bonds of railways and other industries, 1900–1914.

AVERAGE YIELD OF BONDS.							
Year.	8 western roads. ¹	10 southwestern roads. ²	Pure money rate (Government and municipal).	Western and southwestern railroads combined.	Municipal bonds, 20 largest cities.	Manufacturing and industrial bonds.	Public utility bonds.
	<i>Per cent.</i>	<i>Per cent.</i>	<i>Per cent.</i>	<i>Per cent.</i>	<i>Per cent.</i>	<i>Per cent.</i>	<i>Per cent.</i>
1900.....	3.9	4.8	3.02	4.3	3.2	5.4	4.5
1901.....	3.9	4.4	3.01	4.1	3.2	5.2	4.4
1902.....	3.9	4.4	3.05	4.1	3.3	5.1	4.4
1903.....	4.1	4.6	3.08	4.3	3.4	5.2	4.6
1904.....	4.1	4.5	3.17	4.3	3.5	5.3	4.6
1905.....	3.9	4.3	3.11	4.1	3.4	5.0	4.4
1906.....	4.0	4.4	3.22	4.2	3.6	5.1	4.6
1907.....	4.4	4.7	3.42	4.5	3.9	5.4	4.9
1908.....	4.3	4.7	3.47	4.5	3.9	5.6	5.1
1909.....	4.1	4.4	3.41	4.2	3.8	5.2	4.8
1910.....	4.2	4.6	3.54	4.4	4.0	5.4	5.0
1911.....	4.2	4.6	3.55	4.4	4.0	5.3	5.0
1912.....	4.3	4.7	3.59	4.5	4.0	5.3	5.0
1913.....	4.6	5.0	3.82	4.8	4.3	5.7	5.1
1914.....	4.5	5.1	3.77	4.8	4.2	5.9	5.1

¹ Chicago, Burlington & Quincy; Chicago, Milwaukee & St. Paul; Chicago & North Western; Chicago, St. Paul, Minneapolis & Omaha; Great Northern; Minneapolis & St. Louis; Northern Pacific; Union Pacific.

² Atchafalpa, Topeka & Santa Fe; Chicago, Rock Island & Pacific; Colorado & Southern; Kansas City Southern; Missouri, Kansas & Texas; Missouri Pacific; Southern Pacific; St. Louis & San Francisco; St. Louis Southwestern; Texas & Pacific.

While the selection of the roads covered by the preceding table was not made by the witness, and while the inclusion in the western group of three strong roads—the Great Northern, the Northern Pacific, and the Union Pacific—only slightly interested in the increases under consideration, may somewhat qualify the typical character of that group, we are of opinion that their inclusion does not impair the reliability of the general trend of interest on railroad bonds shown in the above table. The public utilities and the industrial concerns selected by the witness may possibly be subject to the criticism that they are largely located in the eastern and central section, the more mature industrial region of the country, rather than in the territory traversed by the carriers in this case. But whatever allowance may be made for the above considerations, we are of opinion that railroad credit as evidenced by interest on their loans has not been relatively more impaired than credit generally, public or corporate.

That is the decision of the commission.

A comparison of the movement of the actual and relative prices of railroad and industrial stocks based upon this witness's exhibit is printed in the appendix as Table No. 43.

The rise in the rate of interest results from influences that also produce a rise in the general level of prices. The same necessity that requires the carriers to pay a higher rate of interest on capital borrowed compels them to pay also higher prices for certain articles. This double disability rests, it is true, upon other industrial enterprises; although, as we have previously indicated, the ordinary industrial concern may advance the prices upon its own output and thus in a way offset the disability of rising costs with less delay and hindrance than a public service industry. For the reasons above indicated, the following table, No. 19, from Norton's exhibits is of interest; and the diagram following, based on data taken wholly from the protestants' testimony, and showing the relative movement of prices for 80 articles used by the railroads and of the revenue from the equated traffic unit, is deserving of consideration.

Mr. President, here is an equally interesting table of prices of relative commodities quite as valuable as the comparison of interest rates. I am very sorry that the limited time at my command will not permit me to read all of it into the Record this evening. However, I shall try to get permission, some day when we get back to normalcy and get rid of the shipping bill, to insert it in the Record. It is an interesting study—a very interesting study indeed. I think I have a chart here somewhere on the proposition. I do not know whether it can be printed in the Record or not. At any rate, I want

to present my percentages as I have figured them out from the table which I have just quoted of the pure-money rate, as it is designated, as a combination of the averages of the four Governments, the United States, France, England, and Germany, and the 20 larger cities in the United States. It may be an arbitrary thing to use, but it is a convenient means.

Taking the average of those four Governments and the 20 larger cities of the United States, taking their actual bond sales, actual yields of interest, and averaging them up, with very great labor and investigation, it is found to be true, and an examination of the table shows that the rate of interest to the combined western railroads advanced only five-tenths of 1 per cent in 15 years. The pure money rate, being an average of the four Governments and 20 largest cities in the United States, advanced three-fourths of 1 per cent. So it will be seen that the credits advanced 50 per cent more to the 20 largest cities in the United States than they did to the group of western railroads at the very time they were howling that their credit had broken down. The United States Government rate advanced 0.55 per cent. Therefore the interest rates to the railroads were steadier and advanced less than either the pure-money rate or the United States Government rate.

The table shows that the combined rates of the western railroads exceed the Government rate from 1.67 per cent to 2.32 per cent, and an average of 2.04 per cent for the period. It also shows that the rate of the Northwestern Railroad alone exceeded the Government rate by an average of 1.75 per cent for the period. It is believed this is about the average excess of the whole United States. In other words, during this period the Government of the United States could have borrowed its money at 1.75 per cent less than the railroads paid.

Mr. KING. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER (Mr. MOSES in the chair). Does the Senator from Iowa yield to the Senator from Utah?

Mr. BROOKHART. For a question, Mr. President. I am very particular about the floor. I do not want to lose it.

Mr. KING. I am sure I do not want to take the Senator from the floor. I want to ask the Senator if he does not believe, and it would seem to be combating the position which he is taking, that if the Government of the United States should take over the railroads and assume the obligations, of course, which it would be required to do if purchasing them at a cost of approximately \$20,000,000,000, that the borrowing power of the United States would not be as good as it is now and the rate of interest which it would have to pay for the money which would be required to pay for the railroads would be a greater rate than that which is now paid by the Government to borrow money?

Mr. BROOKHART. If the Government got the property at what the roads were worth, it would have a property equal to all these funds, and it would not impair Government credit in any way. Of course, if the Government took the railroads at a watered value that would be a different story than if it took them at an honest value. The Government, in spite of all the cry against Government inefficiency, in spite of all the talk from people who want to take the Government functions over to themselves in some way, is conceded by all to be the most efficient instrument in the world when it comes to borrowing money. It can get money at a lower rate than anybody else. Nobody has ever disputed that proposition. I do not know but what there would be a saving in the capital charge, according to the tables which I have read to-night, of something like \$500,000,000 a year upon that item. Of course what we called Government operation during the war was a different story because the old bonds continued as they were. There was no advantage of Government credit in the operation of the railroads under the Railroad Administration and the Railroad Administration should not be charged with that kind of an item.

Mr. President, I have presented a credit proposition to the vacant seats here in the Senate and to the few Senators who have been kind enough to sit around to help maintain a quorum for the purpose of showing that there is a widespread system in the United States organized and developed in the most efficient way to misrepresent the facts to the people of the country in reference to railroad capitalization and railroad financing and railroad credits.

Nothing could be better organized, nothing could be worked out more systematically, and by advertising these false combinations of figures in the newspapers and everywhere they have educated a lot of our people to believe that they really were in hard lines when it was not true. Even now railroad credit is perhaps the steadiest of any credit we have in the country. The Government credit, because of the war, has

varied much more, and the variation has been much more than that of the railroads themselves. Of course, the Government had to give them some subsidies during the war. It had through its rate-making machinery guaranteed them an adequate or reasonable return upon the investment which was determined by the use of artificial theories of value, and which is perhaps \$7,000,000,000 above the market value of their stocks and bonds.

As I said, the Government would have the right to condemn, if it took over the roads ultimately, the stocks and bonds. When the Government surrendered the right of eminent domain to the railroads and they exercised it in my State and in every State they took our properties at their reasonable market values. The only measure of damages was the difference in the market value before and after the property was taken. Upon the same rule these roads are not worth now, according to Mr. C. W. Barron, the owner of the Wall Street Journal, over \$12,000,000,000.

In a former speech earlier in the session, when I was discussing the railroad question a little bit, I quoted the \$12,000,000,000 figure as coming from the editor of the Wall Street Journal. Then the editor of the Wall Street Journal kicked up an awful fuss about it and said it was not true, and I do not know what all he did call me. He did not miss anything to make it emphatic that I had no business to charge him with putting out such propaganda. That was the editor who made all the fuss. Then I looked up the situation and I found the statement was made in the March 5 number of the bulletin of the railway executives and by C. W. Barron, who is not the editor of the Wall Street Journal but the owner of it. So I made a very bad mistake, Mr. President, that I want to get fully corrected in the Record here to-night. I shall not charge it up to the editor any longer. We will let the owner stand for those figures.

Mr. President, I think I have forgotten several important points on that phase of the matter, but I hope to have an opportunity later before the ship subsidy bill passes to insert them in some way in the Record and present them for the consideration of the patient Senator from Washington [Mr. JONES], who never fails us a moment.

There is one other matter. I have a bill prepared, and am about ready to introduce it, to fix a new rule in the valuation of railroads and provide that it shall not exceed the value of the securities. If Mr. Barron's statement is reliable, that will reduce the fictitious value about \$7,000,000,000. The farmers, who pay the freight, would like to have the real value fixed for the railroads, not any inflated value or anything of the kind. For this reason the representatives of the railroads denounce me as a socialist who wants to confiscate their property by bringing it down to the real market value on the market which they themselves created and control.

Now I want to call attention to something else that happened to the farmers in this connection. I want to call attention to the confiscations which have been put upon them. My authority for this is the Manufacturers' Record of February 22, 1923. That is to-day, but getting a little closer to to-morrow all the time.

I read:

On May 18, 1920, Federal reserve meeting in Washington discussed deflation, reflection of credit, breaking down of prices, and higher freight rates, but Governor Harding warned those present not to divulge the discussions of the day. The inside story revealed by the stenographic report obtained by the Manufacturers' Record.

The Senator from Alabama [Mr. HEFLIN] has occasionally mentioned in the Senate something about this meeting and has told something of the things with reference to it, but the Senator from Alabama is a long way behind the Manufacturers' Record when it comes to disclosing the full magnitude and the full force of the deflation policy which raised railroad rates and destroyed agriculture. Now, some of the things said are:

After one of the most fateful meetings in the financial history of the world, a meeting which no other organization, including the Interstate Commerce Commission or the Supreme Court of the United States, would ever have dared to hold in secret and reach its conclusions in secret and withhold its conclusions from the public, Governor Harding, of the Federal Reserve Board, in closing that meeting of the Federal Reserve Board, the Federal advisory council, and the class A of directors of Federal reserve banks, said:

These are Governor Harding's own words—

I would suggest, gentlemen, that you be careful not to give out anything about any discussion of discount rates. That is one thing there ought not to be any previous discussion about, because it disturbs everybody, and if people think rates are going to be advanced there will be an immediate rush to get into the banks before the rates are put up, and the policy of the Reserve Board is that that is one thing we never discuss with a newspaper man. If he comes in and wants to know if the board has considered any rates or is likely to do anything about any rates, some remark is made about the weather or something else and we tell him we can not discuss rates at all. I think we are all agreed it would be very ill-advised to give out any impression that any general overhauling of rates was discussed at this conference.

The PRESIDING OFFICER. Forty-nine Senators having answered to their names, a quorum is present.

Mr. ROBINSON. Mr. President, I move that the Senate do now adjourn.

Mr. JONES of Washington. On that I ask for the yeas and nays.

The yeas and nays were ordered, and the Assistant Secretary proceeded to call the roll.

Mr. EDGE (when his name was called). Making the same announcement as to my pair and transfer, I vote "nay."

Mr. KENDRICK (when his name was called). Making the same announcement as to the transfer of my pair, I vote "yea."

Mr. LODGE (when his name was called). Making the same announcement as before as to my pair and its transfer, I vote "nay."

Mr. MCKINLEY (when his name was called). I transfer my pair with the junior Senator from Arkansas [Mr. CARAWAY] to the senior Senator from Oregon [Mr. McNARY] and vote "nay."

Mr. NEW (when his name was called). Announcing the same transfer as on the previous vote, I vote "nay."

Mr. SMITH (when his name was called). Making the same announcement as to my pair and transfer, I vote "yea."

Mr. SWANSON (when his name was called). Making the same transfer that I did on the former vote, I vote "yea."

Mr. WATSON (when his name was called). Transferring my pair as before, I vote "nay."

The roll call was concluded.

Mr. REED of Pennsylvania (after having voted in the negative). Has the junior Senator from Delaware [Mr. BAYARD] voted?

The PRESIDING OFFICER. That Senator has not voted.

Mr. REED of Pennsylvania. I transfer my general pair with that Senator to the junior Senator from Vermont [Mr. PAGE], and allow my vote to stand.

Mr. CALDER. I have a general pair with the Senator from Georgia [Mr. HARRIS]. In his absence I withhold my vote.

Mr. COLT (after having voted in the negative). Has the junior Senator from Florida [Mr. TRAMMELL] voted?

The PRESIDING OFFICER. That Senator has not voted.

Mr. COLT. I have a general pair with that Senator, which I transfer to the senior Senator from California [Mr. JOHNSON], and allow my vote to stand.

The result was announced—yeas 11, nays 35, as follows:

YEAS—11.

Fletcher	Hitchcock	Sheppard	Swanson
George	Kendrick	Smith	Walsh, Mass.
Heflin	Robinson	Stanley	

NAYS—35.

Ball	Ernst	Lodge	Reed, Pa.
Brandeggee	Frelinghuysen	McKinley	Shortridge
Broussard	Hale	Moses	Spencer
Bursum	Harrell	New	Sutherland
Cameron	Harrison	Norbeck	Wadsworth
Capper	Jones, Wash.	Oddie	Warren
Colt	Kellogg	Pepper	Watson
Curtis	Keyes	Phipps	Weller
Edge	Lenroot	Poindexter	

NOT VOTING—50.

Ashurst	France	McLean	Shields
Bayard	Gerry	McNary	Simmons
Borah	Glass	Myers	Smoot
Brookhart	Gooding	Nelson	Stanfield
Calder	Harris	Nicholson	Sterling
Caraway	Johnson	Norris	Townsend
Couzens	Jones, N. Mex.	Overman	Trammell
Culberson	King	Owen	Underwood
Dial	Ladd	Page	Walsh, Mont.
Dillingham	La Follette	Pittman	Williams
Elkins	McCormick	Pomerene	Willis
Fernald	McCumber	Ransdell	
	McKellar	Reed, Mo.	

So the Senate refused to adjourn.

Mr. HITCHCOCK. No quorum is present?

The PRESIDING OFFICER. That is a self-evident fact.

Mr. HARRISON. I enter a motion to reconsider the vote just taken; but, of course, a quorum must be obtained first. I do not want to lose my right to enter the motion.

The PRESIDING OFFICER. Does the Senator suggest the absence of a quorum?

Mr. HARRISON. No; I do not. I take it that we must get a quorum before we can do anything.

The PRESIDING OFFICER. A quorum was disclosed upon the last call of the Senate.

Mr. HARRISON. Forty-six, I think, was the number announced.

The PRESIDING OFFICER. Upon the last call of the Senate to ascertain a quorum, a quorum was disclosed. On the vote just taken a quorum did not vote.

Mr. HARRISON. Does the Chair hold that a quorum voted on the last vote?

The PRESIDING OFFICER. No, indeed.

Mr. HARRISON. I have moved to reconsider the vote, and on that I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. SWANSON. Pending that motion, I make the point that there is no quorum present.

The PRESIDING OFFICER. The Secretary will call the roll to ascertain if a quorum is present.

The Assistant Secretary called the roll, and the following Senators answered to their names:

Ball	Frelinghuysen	Lodge	Sheppard
Brandeggee	George	McKinley	Shortridge
Broussard	Hale	Moses	Spencer
Bursum	Harrell	New	Sutherland
Calder	Harrison	Norbeck	Swanson
Cameron	Heflin	Oddie	Wadsworth
Capper	Hitchcock	Pepper	Walsh, Mass.
Colt	Jones, Wash.	Phipps	Warren
Curtis	Kellogg	Poindexter	Watson
Edge	Kendrick	Reed, Pa.	Weller
Ernst	Lenroot	Robinson	

The PRESIDING OFFICER. Forty-three Senators having answered to their names, a quorum is not present. The Secretary will call the names of the absent Senators.

The Assistant Secretary called the names of the absent Senators, and Mr. BROOKHART and Mr. KEYES answered to their names when called.

Mr. MCKELLAR and Mr. KING entered the Chamber and answered to their names.

The PRESIDING OFFICER. Forty-seven Senators having answered to their names, a quorum is not present.

Mr. CURTIS. I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The PRESIDING OFFICER. The question is on the motion of the Senator from Kansas.

Mr. ROBINSON. On that motion I demand the yeas and nays.

The yeas and nays were ordered, and the Assistant Secretary proceeded to call the roll.

Mr. FLETCHER and Mr. STANLEY entered the Chamber and answered to their names.

The PRESIDING OFFICER. Forty-nine Senators have answered to their names. A quorum is present.

Mr. CURTIS. I move that the Senate proceed to the consideration of executive business.

Mr. HARRISON. Will the Senator withhold that for one moment?

Mr. CURTIS. For what purpose?

Mr. HARRISON. The yeas and nays were ordered on a motion to reconsider. I was going to ask to withdraw that motion to reconsider, as I understood that by virtue of so doing there would be a request to recess until 11 o'clock tomorrow.

Mr. CURTIS. Mr. President, the motion made by the Senator was out of order. We could do no business without a quorum, and when the Chair announced there was no quorum there was nothing to do but to get a quorum. I therefore insist upon my motion.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Kansas.

Mr. HARRISON. I move that the Senate do now adjourn.

Mr. CURTIS. The motion I have made is a privileged motion.

Mr. HARRISON. I ask for the yeas and nays on my motion.

The PRESIDING OFFICER. The Chair rules that the motion of the Senator from Kansas is privileged.

Mr. HARRISON. I submit—

Mr. ROBINSON. I rise to a point of order.

The PRESIDING OFFICER. The Senator will state his point of order.

Mr. ROBINSON. The motion to adjourn takes precedence by the rules of the Senate over the motion to proceed to the consideration of executive business.

The PRESIDING OFFICER. The point of order is well taken.

Mr. ROBINSON. The motion to adjourn is in order.

The PRESIDING OFFICER. The motion to adjourn is in order. On that motion the yeas and nays have been requested.

Is the demand seconded?

The yeas and nays were ordered, and the principal legislative clerk proceeded to call the roll.

Mr. CALDER (when his name was called). I have a general pair with the senior Senator from Georgia [Mr. HARRIS]. In his absence I withhold my vote.

Mr. COLT (when his name was called). Making the same announcement as before with regard to my pair and its transfer, I vote "nay."

Mr. EDGE (when his name was called). Making the same announcement as to the transfer of my pair as previously, I vote "nay."

Mr. KENDRICK (when his name was called). Making the same announcement with regard to the transfer of my pair as on former votes, I vote "yea."

Mr. KING (when his name was called). I have a general pair with the senior Senator from North Dakota [Mr. McCUMBER]. In his absence I transfer that pair to the senior Senator from Texas [Mr. CULBERSON] and will vote. I vote "yea."

Mr. LODGE (when his name was called). Making the same announcement as before with reference to the transfer of my pair and its transfer, I vote "nay."

Mr. MCKINLEY (when his name was called). Making the same announcement as before with regard to my pair and its transfer, I vote "nay."

Mr. REED of Pennsylvania (when his name was called). Making the same announcement as before with respect to my pair and its transfer, I vote "nay."

Mr. SMITH (when his name was called). Making the same announcement as before with regard to my pair and its transfer, I vote "yea."

Mr. STANLEY (when his name was called). I inquire if my colleague, the junior Senator from Kentucky [Mr. ERNST], has voted?

The PRESIDING OFFICER. The Senator has not voted.

Mr. STANLEY. Not knowing how my colleague would vote, I withhold my vote.

Mr. SWANSON (when his name was called). Making the same announcement as to my pair and its transfer as on the previous roll call, I vote "yea."

Mr. WATSON (when his name was called). Making the same announcement as before with reference to my pair and its transfer, I vote "nay."

The roll call was concluded.

Mr. CURTIS. I ask unanimous consent that the motion to adjourn be withdrawn, and that the Senate take a recess until 11 o'clock to-morrow morning, with the understanding that we shall have an executive session to-morrow morning at 11 o'clock.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request proposed by the Senator from Kansas?

Mr. ROBINSON. Pending the request, I desire to say that the suggestion is satisfactory to this side of the Chamber. We have no objection to it.

BALTIMORE & OHIO RAILROAD SIDINGS IN THE DISTRICT.

Mr. BALL. Mr. President, will the Senator from Kansas yield?

Mr. CURTIS. Mr. President, may I ask permission to yield long enough to allow the Senator from Delaware to enter a motion to reconsider a vote? I will withhold the request I have made for a moment, if there be no objection.

Mr. HITCHCOCK. What is the motion of the Senator from Delaware?

Mr. BALL. I ask unanimous consent that I may ask for a reconsideration of the vote by which the Senate concurred in the amendment of the House to the bill (S. 3083) authorizing the Baltimore & Ohio Railroad Co. to construct an elevated railroad siding adjacent to its tracks in the city of Washington.

Mr. ROBINSON. Mr. President, it is necessary under the rules of the Senate that the motion to reconsider be entered within two days of actual session of the Senate after the bill passes the Senate. I think that means two calendar days rather than two legislative days, for reasons that I will not state at this time. I think also that the motion is privileged, and that the Senator from Delaware has a right to make the motion.

Although a situation has developed where a quorum may not be found to be present, I hope that there will be no objection, in view of the fact that a manifest error was made by the Senate in concurring in the House amendment, and the Senate must necessarily correct that mistake.

Mr. McKELLAR. Do I understand that the motion is merely to be entered now and not to be acted upon?

Mr. ROBINSON. It is not to be considered.

Mr. LODGE. It is merely to be entered.

Mr. BALL. That is all.

The PRESIDING OFFICER. The Senator from Delaware asks unanimous consent to enter a motion to reconsider the vote by which the Senate concurred in the amendment of the House to the bill named by him. Is there objection? The Chair hears none, and it is so ordered.

RECESS UNTIL TO-MORROW.

Mr. CURTIS. I ask unanimous consent that the Senate take a recess until 11 o'clock to-morrow morning, and that at 11 o'clock there be an executive session.

The PRESIDING OFFICER. Is there objection to the unanimous consent requested by the Senator from Kansas? The Chair hears none, and it is so ordered.

Thereupon (at 11 o'clock and 40 minutes p. m.) the Senate took a recess until to-morrow, Friday, February 23, 1923, at 11 o'clock a. m.

HOUSE OF REPRESENTATIVES.

THURSDAY, February 22, 1923.

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

We thank Thee, our Father in heaven, that Thou hast ordained and art administering a providence over Thy children. Sheltered under Thy care, we have a retreat that gives security and blessed quiet. The thought that Thou dost live and love and plan lends courage and sustains us in the hour when hope burns low. We thank Thee that our Nation's history is a great evidence of Thy providence. May we draw to-day new inspiration from the examples of our fathers who struggled in defense of the liberty wherewith they have made us free. Help us to hold in remembrance and appreciation that emergencies can be met, wrongs can be righted, and problems solved by simple obedience to our free Christian institutions. The Lord bless our homeland, which has been consecrated by the prayers, the tears, and the struggles of those who were giants in mind and in conscience, and we will give Thee the praise through Christ. Amen.

The Journal of the proceedings of yesterday was read and approved.

DEFICIENCY BILL.

Mr. MADDEN, chairman of the Committee on Appropriations, reported the bill (H. R. 14408, Rept. 1680) making appropriations to supply deficiencies in appropriations for the year 1923 and prior fiscal years, and providing supplementary appropriations for the year 1924, which was ordered printed and referred to the Committee of the Whole House on the state of the Union.

Mr. BYRNS of Tennessee reserved all points of order.

GRANTING CERTAIN LANDS TO CANON CITY, COLO.

Mr. SINNOTT, chairman of the Committee on the Public Lands, presented a conference report for printing under the rule on the bill (H. R. 7053) to grant certain lands to the city of Canon City, Colo., for a public park.

GRANTING CERTAIN LANDS TO ESCAMBLA COUNTY, FLA.

Mr. SINNOTT, chairman of the Committee on the Public Lands, presented a conference report on the bill (H. R. 7967) granting certain lands to Escambia County, Fla., for a public park, for printing under the rule.

SENATE JOINT RESOLUTION 253.

Mr. BULWINKLE. Mr. Speaker, I ask unanimous consent that I may have leave to file minority views on Senate Joint Resolution 253 not later than 12 o'clock Saturday night.

The SPEAKER. The gentleman from North Carolina asks unanimous consent to file minority views on Senate Joint Resolution 253 not later than midnight on Saturday. Is there objection?

There was no objection.

BOARD OF VISITORS TO ANNAPOLIS.

The SPEAKER. The Chair will appoint on the Board of Visitors to Annapolis Mr. DARROW, Mr. HILL, Mr. REECE, Mr. RIORDAN, and Mr. VINSON.

SPEAKERS PRO TEMPORE.

The SPEAKER. The Chair will state that he will be absent to-morrow and perhaps Saturday, and he designates as Speaker pro tempore the gentleman from Kansas, Mr. CAMPBELL. On Sunday, for the memorial exercises, the Chair will designate the gentleman from New Hampshire, Mr. WASON, to preside over the memorial services for Mr. BURROUGHS, Mr. THOMPSON, of Ohio, to preside over the services for Mr. MONTOYA, and the gentleman from California, Mr. CURRY, to preside over the services for Mr. NOLAN and Mr. OSBORNE.